



House of Representatives

General Assembly

File No. 598

January Session, 2005

Substitute House Bill No. 6670

House of Representatives, May 2, 2005

The Committee on Appropriations reported through REP. MERRILL of the 54th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

**AN ACT CONCERNING COMPREHENSIVE CAMPAIGN FINANCE
REFORM FOR STATE-WIDE CONSTITUTIONAL AND GENERAL
ASSEMBLY OFFICES.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective July 1, 2005*) There is established, within
2 the General Fund, a separate, nonlapsing account to be known as the
3 "Citizens' Election Fund". The fund may contain any moneys required
4 by law to be deposited in the fund. Investment earnings credited to the
5 assets of the fund shall become part of the assets of the fund. The State
6 Treasurer shall administer the fund. Any balance remaining in the
7 fund at the end of any fiscal year shall be carried forward in the fund
8 for the next fiscal year. All moneys deposited in the fund shall be used
9 for the purposes of sections 1 and 6 to 21, inclusive, of this act. The
10 State Elections Enforcement Commission may deduct and retain from
11 the moneys in the fund an amount equal to the costs incurred by the
12 commission in administering the provisions of sections 1 and 6 to 21,
13 inclusive, of this act provided said amount shall not exceed one per

14 cent of the moneys deposited in the fund in any fiscal year. Any
15 portion of said one per cent allocation which exceeds said costs
16 incurred by the commission in any fiscal year shall continue to be
17 available for any said costs incurred by the commission in subsequent
18 fiscal years.

19 Sec. 2. Section 12-812 of the general statutes is repealed and the
20 following is substituted in lieu thereof (*Effective July 1, 2005*):

21 (a) The president of the corporation, subject to the direction of the
22 board, shall conduct daily, weekly, multistate, special instant or other
23 lottery games and shall determine the number of times a lottery shall
24 be held each year, the form and price of the tickets and the aggregate
25 amount of prizes, which shall not be less than [forty-five] forty-three
26 and one-half per cent of the sales unless required by the terms of any
27 agreement entered into for the conduct of multistate lottery games.
28 The proceeds of the sale of tickets shall be deposited in the lottery fund
29 of the corporation from which prizes shall be paid, upon vouchers
30 signed by the president, or by either of two persons designated and
31 authorized by him, in such numbers and amounts as the president
32 determines. The corporation may limit its liability in games with fixed
33 payouts and may cause a cessation of sales of tickets of certain
34 designation when such liability limit has been reached.

35 (b) The president, subject to the direction of the board, may enter
36 into agreements for the sale of product advertising on lottery tickets,
37 play slips and other lottery media.

38 (c) On a weekly basis, the president shall estimate, and certify to the
39 State Treasurer, that portion of the balance in the lottery fund which
40 exceeds the current needs of the corporation for the payment of prizes,
41 the payment of current operating expenses and funding of approved
42 reserves of the corporation. The corporation shall transfer the amount
43 so certified from the lottery fund of the corporation to the General
44 Fund, upon notification of receipt of such certification by the
45 Treasurer.

46 Sec. 3. (NEW) (*Effective July 1, 2005*) For the fiscal year ending June
47 30, 2006, and each fiscal year thereafter, the Connecticut Lottery
48 Corporation shall transfer one and one-half per cent of the revenue
49 received from the sale of lottery tickets during such year to the
50 Citizens' Election Fund established in section 1 of this act. Said
51 corporation shall make such transfers by reducing the percentage of
52 the revenue received from the sale of lottery tickets that the
53 corporation awards in lottery game prizes during such years by one
54 and one-half per cent of the revenue that the corporation received from
55 the sale of lottery tickets during the fiscal year ending June 30, 2005.

56 Sec. 4. (NEW) (*Effective July 1, 2005*) A surcharge of ten per cent shall
57 be imposed on (1) each fine fixed by a court for the conviction of a
58 felony, in accordance with section 53a-41 of the general statutes, or a
59 misdemeanor, in accordance with section 53a-42 of the general
60 statutes, or for a violation, in accordance with section 53a-43 of the
61 general statutes or any other section of the general statutes in which a
62 violation is defined and the amount of the fine is expressly specified,
63 (2) each fine for the violation of a section of the general statutes that is
64 deemed to be an infraction, in accordance with section 51-164m of the
65 general statutes, and (3) each civil penalty imposed by a state agency
66 or a quasi-public agency, as defined in section 1-120 of the general
67 statutes, pursuant to the general statutes or regulations adopted under
68 the general statutes. Each such surcharge shall be rounded off to the
69 next highest dollar and be immediately transmitted to the State
70 Treasurer for deposit in the Citizens' Election Fund established in
71 section 1 of this act. Any such surcharge shall be in addition to any fee,
72 cost or other surcharge imposed pursuant to any other provision of the
73 general statutes.

74 Sec. 5. Subsection (e) of section 9-333j of the general statutes is
75 repealed and the following is substituted in lieu thereof (*Effective July*
76 *1, 2005*):

77 (e) (1) Notwithstanding any provisions of this chapter, [to the
78 contrary,] in the event of a surplus the campaign treasurer of a

79 candidate committee or of a political committee, other than a political
80 committee formed for ongoing political activities or an exploratory
81 committee, shall distribute or expend such surplus [within] not later
82 than ninety days after a primary which results in the defeat of the
83 candidate, an election or referendum not held in November or by
84 January thirty-first following an election or referendum held in
85 November, in the following manner:

86 (A) Such committees may distribute their surplus to a party
87 committee, or a political committee organized for ongoing political
88 activities, return such surplus to all contributors to the committee on a
89 prorated basis of contribution, distribute all or any part of such surplus
90 to the Citizens' Election Fund established in section 1 of this act or
91 distribute such surplus to any charitable organization which is a tax-
92 exempt organization under Section 501(c)(3) of the Internal Revenue
93 Code of 1986, or any subsequent corresponding internal revenue code
94 of the United States, as from time to time amended, provided (i) no
95 candidate committee may distribute such surplus to a committee
96 which has been established to finance future political campaigns of the
97 candidate, and (ii) a candidate committee which received moneys from
98 the Citizens' Election Fund shall distribute such surplus to such fund;

99 (B) Each such political committee established by an organization
100 which received its funds from the organization's treasury shall return
101 its surplus to its sponsoring organization;

102 (C) (i) Each political committee formed solely to aid or promote the
103 success or defeat of any referendum question, which does not receive
104 contributions from a business entity or an organization, shall distribute
105 its surplus to a party committee, to a political committee organized for
106 ongoing political activities, to a national committee of a political party,
107 to all contributors to the committee on a prorated basis of contribution,
108 to state or municipal governments or agencies or to any organization
109 which is a tax-exempt organization under Section 501(c)(3) of the
110 Internal Revenue Code of 1986, or any subsequent corresponding
111 internal revenue code of the United States, as from time to time

112 amended. [(ii) each] (ii) Each political committee formed solely to aid
113 or promote the success or defeat of any referendum question, which
114 receives contributions from a business entity or an organization, shall
115 distribute its surplus to all contributors to the committee on a prorated
116 basis of contribution, to state or municipal governments or agencies, or
117 to any organization which is tax-exempt under said provisions of the
118 Internal Revenue Code. Notwithstanding the provisions of this
119 subsection, a committee formed for a single referendum shall not be
120 required to expend its surplus within ninety days after the referendum
121 and may continue in existence if a substantially similar referendum
122 question on the same issue will be submitted to the electorate within
123 six months after the first referendum. If two or more substantially
124 similar referenda on the same issue are submitted to the electorate,
125 each no more than six months apart, the committee shall expend such
126 surplus within ninety days following the date of the last such
127 referendum;

128 (D) The campaign treasurer of the candidate committee of a
129 candidate who is elected to office may, upon the authorization of such
130 candidate, expend surplus campaign funds to pay for the cost of
131 clerical, secretarial or other office expenses necessarily incurred by
132 such candidate in preparation for taking office; except such surplus
133 shall not be distributed for the personal benefit of any individual or to
134 any organization; and

135 (E) The campaign treasurer of a candidate committee, or of a
136 political committee, other than a political committee formed for
137 ongoing political activities or an exploratory committee, shall, prior to
138 the dissolution of such committee, either (i) distribute any equipment
139 purchased, including but not limited to computer equipment, to any
140 recipient as set forth in subparagraph (A) of this subdivision, or (ii) sell
141 any equipment purchased, including but not limited to computer
142 equipment, to any person for fair market value and then distribute the
143 proceeds of such sale to any recipient as set forth in said subparagraph
144 (A).

145 (2) Notwithstanding any provisions of this chapter, [to the
146 contrary,] the campaign treasurer of the candidate committee of a
147 candidate who has withdrawn from a primary or election may, prior to
148 the primary or election, distribute its surplus to any organization
149 which is tax-exempt under Section 501(c)(3) of the Internal Revenue
150 Code of 1986, or any subsequent corresponding internal revenue code
151 of the United States, as from time to time amended, or return such
152 surplus to all contributors to the committee on a prorated basis of
153 contribution.

154 (3) [Within] Not later than seven days after such distribution or
155 [within] not later than seven days after all funds have been expended
156 in accordance with subparagraph (D) of subdivision (1) of this
157 subsection, the campaign treasurer shall file a supplemental statement,
158 sworn under penalty of false statement, with the proper authority,
159 identifying all further contributions received since the previous
160 statement and explaining how any surplus has been distributed or
161 expended in accordance with this section. No surplus may be
162 distributed or expended until after the election, primary or
163 referendum.

164 (4) In the event of a deficit the campaign treasurer shall file a
165 supplemental statement ninety days after an election, primary or
166 referendum not held in November or on the seventh calendar day in
167 February, or the next business day if such day is a Saturday, Sunday or
168 legal holiday, after an election or referendum held in November, with
169 the proper authority and, thereafter, on the seventh day of each month
170 following if on the last day of the previous month there was an
171 increase or decrease in the deficit in excess of five hundred dollars
172 from that reported on the last statement filed. The campaign treasurer
173 shall file such supplemental statements as required until the deficit is
174 eliminated. If any such committee does not have a surplus or a deficit,
175 the statement required to be filed [within] not later than forty-five days
176 following any election or referendum not held in November or on the
177 seventh calendar day in January, or the next business day if such day is
178 a Saturday, Sunday or legal holiday, following an election or

179 referendum held in November, or [within] not later than thirty days
180 following any primary shall be the last required statement.

181 Sec. 6. (NEW) (*Effective July 1, 2005, and applicable to elections held in*
182 *2008, and thereafter*) As used in sections 1 and 6 to 21, inclusive, of this
183 act:

184 (1) "Commission" means the State Elections Enforcement
185 Commission.

186 (2) "Convention" has the same meaning as provided in section 9-372
187 of the general statutes.

188 (3) "Depository account" means the single checking account at the
189 depository institution designated as the depository for the candidate
190 committee's moneys in accordance with the provisions of subsection
191 (a) of section 9-333f of the general statutes.

192 (4) "Eligible petitioning party candidate" means a candidate for
193 election to an office pursuant to part III C of chapter 153 of the general
194 statutes whose nominating petition has been approved by the
195 Secretary of the State pursuant to subsection (c) of section 9-453o of the
196 general statutes.

197 (5) "Fund" means the Citizens' Election Fund established in section 1
198 of this act.

199 (6) "General election campaign" means (A) in the case of a candidate
200 nominated at a primary, the period beginning on the day following the
201 primary and ending on the date the campaign treasurer files the final
202 statement for such campaign pursuant to section 9-333j of the general
203 statutes, as amended by this act, or (B) in the case of a candidate
204 nominated without a primary, the period beginning on the day
205 following the day on which the candidate is nominated and ending on
206 the date the campaign treasurer files the final statement for such
207 campaign pursuant to section 9-333j of the general statutes, as
208 amended by this act.

209 (7) "Major party" has the same meaning as provided in section 9-372
210 of the general statutes.

211 (8) "Minor party" has the same meaning as provided in section 9-372
212 of the general statutes.

213 (9) "Primary campaign" means the period beginning on the day
214 following the close of a convention and ending on the day of a primary
215 held for the purpose of nominating a candidate for an office.

216 (10) "Qualified candidate committee" means a candidate committee
217 (A) established to aid or promote the success of any candidate for
218 nomination or election to a state office, and (B) approved by the
219 commission to receive a grant from the Citizens' Election Fund under
220 section 11 of this act.

221 (11) "State office" means the office of Governor, Lieutenant
222 Governor, Attorney General, State Comptroller, State Treasurer,
223 Secretary of the State, state senator or state representative.

224 Sec. 7. (NEW) (*Effective July 1, 2005, and applicable to elections held in*
225 *2008, and thereafter*) (a) There is established a Citizens' Election
226 Program under which (1) the candidate committee of a major party or
227 minor party candidate for nomination to the office of state senator or
228 state representative in 2008, or thereafter, or the office of Governor,
229 Lieutenant Governor, Attorney General, State Comptroller, Secretary
230 of the State or State Treasurer in 2010, or thereafter, may receive a
231 grant from the Citizens' Election Fund for the candidate's primary
232 campaign for said nomination, and (2) the candidate committee of a
233 candidate who is nominated by a major party or a minor party, or the
234 candidate committee of an eligible petitioning party candidate, for
235 election to the office of state senator or state representative in 2008, or
236 thereafter, or the office of Governor, Attorney General, State
237 Comptroller, Secretary of the State or State Treasurer in 2010, or
238 thereafter, may receive a grant from the fund for the candidate's
239 general election campaign for said office.

240 (b) Any such candidate committee is eligible to receive such grants
241 for a primary campaign, if applicable, and a general election campaign
242 if (1) the candidate certifies as a participating candidate under section
243 11 of this act, (2) the candidate's candidate committee receives the
244 required amount of qualifying contributions under section 9 of this act,
245 (3) the candidate's candidate committee returns all contributions that
246 do not meet the criteria for qualifying contributions under section 9 of
247 this act, (4) the candidate's exploratory committee, if any, returns all
248 contributions that do not meet the criteria for qualifying contributions
249 to a candidate committee under section 9 of this act, (5) the candidate
250 agrees to limit the campaign expenditures of the candidate's candidate
251 committee in accordance with the provisions of subdivision (1) of
252 subsection (c) of this section, and (6) the candidate submits an
253 application and the commission approves the application in
254 accordance with the provisions of section 11 of this act.

255 (c) (1) A candidate participating in the Citizens' Election Program
256 shall limit the campaign expenditures of the candidate's candidate
257 committee (A) before a primary campaign and a general election
258 campaign, to the amount of qualifying contributions permitted in
259 section 9 of this act, (B) for a primary campaign, to the sum of the
260 amount of qualifying contributions permitted in section 9 of this act
261 that have not been spent before the primary campaign, the amount of
262 the grant for the primary campaign authorized under section 10 of this
263 act and, in the case of a candidate for the office of Governor,
264 Lieutenant Governor, Attorney General, State Comptroller, Secretary
265 of the State or State Treasurer, the total amount of contributions
266 permitted in section 9-333s of the general statutes, as amended by this
267 act, from the state central committee for the party in which the
268 candidate is enrolled and all town committees, and (C) for a general
269 election campaign, to the sum of the amount of qualifying
270 contributions permitted in section 9 of this act that have not been spent
271 before the general election campaign, any unexpended funds from any
272 grant for a primary campaign, the amount of the grant for the general
273 election campaign authorized under section 10 of this act and, in the
274 case of a candidate for the office of Governor, Attorney General, State

275 Comptroller, Secretary of the State or State Treasurer, the total amount
276 of contributions permitted in section 9-333s of the general statutes, as
277 amended by this act, from the state central committee for the party in
278 which the candidate is enrolled and all town committees, which party
279 contributions have not been spent before the general election
280 campaign.

281 (2) There shall be a rebuttable presumption that any expenditure by
282 a party committee for the benefit of the candidate committee of a
283 candidate shall be counted toward the applicable expenditure limit for
284 such candidate committee under this subsection, except for any
285 expenditures by a party committee that benefits all candidates
286 nominated by the party. The State Elections Enforcement Commission
287 shall adopt regulations, in accordance with the provisions of chapter
288 54 of the general statutes, to carry out the purposes of this subdivision.

289 Sec. 8. (NEW) (*Effective July 1, 2005, and applicable to elections held in*
290 *2010, and thereafter*) (a) Each candidate for nomination or election to a
291 state office in 2008, or thereafter, shall file an affidavit with the State
292 Elections Enforcement Commission, at the same time that the
293 candidate files either a committee statement under subsection (a) of
294 section 9-333f of the general statutes or a certification under subsection
295 (b) of said section 9-333f. The affidavit shall include a written
296 certification that the candidate either intends to abide by the
297 expenditure limits under the Citizens' Election Program set forth in
298 subdivision (1) of subsection (c) of section 7 of this act, or does not
299 intend to abide by said limits. If the candidate intends to abide by said
300 limits, the affidavit shall also include written certifications (1) that the
301 campaign treasurer of the candidate committee for said candidate shall
302 expend any moneys received from the Citizens' Election Fund in
303 accordance with the provisions of subsection (g) of section 9-333i of the
304 general statutes and guidelines adopted by the State Elections
305 Enforcement Commission under subsection (e) of section 11 of this act,
306 (2) that the candidate shall repay to the fund any such moneys that are
307 not expended in accordance with subsection (g) of said section 9-333i
308 and said guidelines, and (3) stating the candidate's status as a major

309 party, minor party or petitioning candidate and, in the case of a major
310 party or minor party candidate, the name of such party. No candidate
311 who changes such status or becomes a candidate of a different party
312 during a campaign shall be eligible to receive a grant under the
313 Citizens' Election Program during the campaigns for which the
314 affidavit is filed.

315 (b) A candidate who so certifies the candidate's intent to abide by
316 the expenditure limits under the Citizens' Election Program set forth in
317 subdivision (1) of subsection (c) of section 7 of this act shall be referred
318 to in sections 6 to 21, inclusive, of this act as a "participating candidate"
319 and a candidate who so certifies the candidate's intent to not abide by
320 said limits shall be referred to in said sections 6 to 21, inclusive, as a
321 "nonparticipating candidate". The commission shall prepare a list of
322 the participating candidates and a list of the nonparticipating
323 candidates and shall make such lists available for public inspection.

324 Sec. 9. (NEW) (*Effective July 1, 2005, and applicable to elections held in*
325 *2008, and thereafter*) (a) The amount of qualifying contributions which
326 the candidate committee of a candidate shall be required to receive in
327 order to be eligible for grants from the Citizens' Election Fund shall be:

328 (1) In the case of a candidate for nomination or election to the office
329 of Governor, contributions from individuals in the aggregate amount
330 of two hundred fifty thousand dollars, of which two hundred twenty-
331 five thousand dollars or more is contributed by individuals residing in
332 the state, provided (A) the candidate committee shall return the
333 portion of any contribution or contributions from an individual other
334 than such candidate that exceeds one hundred dollars, and such excess
335 portion shall not be considered in calculating such amounts, and (B) all
336 contributions received by an exploratory committee that meet the
337 criteria for qualifying contributions to candidate committees under this
338 section shall be considered in calculating such amounts.

339 (2) In the case of a candidate for nomination or election to the office
340 of Lieutenant Governor, Attorney General, State Comptroller, State
341 Treasurer or Secretary of the State, contributions from individuals in

342 the aggregate amount of seventy-five thousand dollars, of which sixty-
343 seven thousand five hundred dollars or more is contributed by
344 individuals residing in the state, provided (A) the candidate committee
345 shall return the portion of any contribution or contributions from an
346 individual other than such candidate that exceeds one hundred
347 dollars, and such excess portion shall not be considered in calculating
348 such amounts, and (B) all contributions received by an exploratory
349 committee that meet the criteria for qualifying contributions to
350 candidate committees under this section shall be considered in
351 calculating such amounts.

352 (3) In the case of a candidate for nomination or election to the office
353 of state senator, contributions from individuals in the aggregate
354 amount of ten thousand dollars, of which nine thousand dollars or
355 more is contributed by individuals residing in the state, provided (A)
356 the candidate committee shall return the portion of any contribution or
357 contributions from an individual other than such candidate that
358 exceeds one hundred dollars, and such excess portion shall not be
359 considered in calculating such amounts, and (B) all contributions
360 received by an exploratory committee that meet the criteria for
361 qualifying contributions to candidate committees under this section
362 shall be considered in calculating such amounts.

363 (4) In the case of a candidate for nomination or election to the office
364 of state representative, contributions from individuals in the aggregate
365 amount of two thousand five hundred dollars, of which two thousand
366 two hundred fifty dollars or more is contributed by individuals
367 residing in the state, provided (A) the candidate committee shall return
368 the portion of any contribution or contributions from an individual
369 other than such candidate that exceeds one hundred dollars, and such
370 excess portion shall not be considered in calculating such amounts,
371 and (B) all contributions received by an exploratory committee that
372 meet the criteria for qualifying contributions to candidate committees
373 under this section shall be considered in calculating such amounts.

374 (b) After a candidate committee receives the applicable aggregate

375 amount of qualifying contributions under subsection (a) of this section,
376 the candidate committee shall return any additional contributions that
377 it receives.

378 (c) Each individual who makes a contribution to a candidate
379 committee established to aid or promote the success of a participating
380 candidate for nomination or election to a state office shall include with
381 the contribution a certification that (1) neither the individual nor any
382 member of the immediate family of the individual is a lobbyist, and (2)
383 neither the individual, any member of the immediate family of the
384 individual nor an associated business of the individual or any such
385 immediate family member has a contract with the state. A contribution
386 from (A) a lobbyist or a member of the immediate family of a lobbyist,
387 or (B) an individual who has a contract with the state, any member of
388 the immediate family of such individual, or an associated business of
389 such individual or any such immediate family member shall not be
390 deemed to be a qualifying contribution under subsection (a) of this
391 section and shall be returned by the candidate committee. As used in
392 this subsection, "immediate family" means any spouse or child of an
393 individual or any dependent relatives who reside in the individual's
394 household.

395 (d) Each individual who makes a contribution to a candidate
396 committee established to aid or promote the success of a participating
397 candidate for nomination or election to a state office shall include the
398 individual's name and address with the contribution. A contribution
399 (1) from an individual that does not include such information, or (2)
400 from an individual who does not reside in the state, in excess of the
401 applicable limit on contributions from nonresidents in subsection (a) of
402 this section, shall not be deemed to be a qualifying contribution under
403 subsection (a) of this section and shall be returned by the candidate
404 committee.

405 Sec. 10. (NEW) (*Effective July 1, 2005, and applicable to elections held in*
406 *2008, and thereafter*) (a) (1) The qualified candidate committee of a
407 major party or minor party candidate for the office of Governor who

408 has a primary for nomination to said office shall be eligible to receive a
409 grant from the Citizens' Election Fund for the primary campaign in the
410 amount of one million two hundred fifty thousand dollars, provided,
411 in the case of a primary held in 2014, or thereafter, said amount shall
412 be adjusted under subsection (c) of this section.

413 (2) The qualified candidate committee of a major party or minor
414 party candidate for the office of Governor who is nominated shall be
415 eligible to receive a grant from the fund for the general election
416 campaign in the amount of three million dollars, provided (A) in the
417 case of an election held in 2014, or thereafter, said amount shall be
418 adjusted under subsection (c) of this section, and (B) if a candidate is
419 nominated at a primary and does not expend the entire grant from the
420 fund for the primary campaign, the amount of the grant for the general
421 election campaign shall be reduced by the amount of such unexpended
422 primary grant funds.

423 (3) The qualified candidate committee of an eligible petitioning
424 party candidate for the office of Governor shall be eligible to receive a
425 grant from the fund for the general election campaign in the amount of
426 three million dollars, provided in the case of an election held in 2014,
427 or thereafter, said amount shall be adjusted under subsection (c) of this
428 section.

429 (b) (1) The qualified candidate committee of a major party or minor
430 party candidate for the office of Lieutenant Governor, Attorney
431 General, State Comptroller, Secretary of the State or State Treasurer
432 who has a primary for nomination to said office shall be eligible to
433 receive a grant from the fund for the primary campaign in the amount
434 of one hundred seventy-five thousand dollars, provided, in the case of
435 a primary held in 2014, or thereafter, said amount shall be adjusted
436 under subsection (c) of this section.

437 (2) The qualified candidate committee of a candidate for the office of
438 Attorney General, State Comptroller, Secretary of the State or State
439 Treasurer who is nominated shall be eligible to receive a grant from
440 the fund for the general election campaign in the amount of five

441 hundred thousand dollars, provided (A) in the case of an election held
442 in 2014, or thereafter, said amount shall be adjusted under subsection
443 (c) of this section, and (B) if a candidate is nominated at a primary and
444 does not expend the entire grant from the fund for the primary
445 campaign, the amount of the grant for the general election campaign
446 shall be reduced by the amount of such unexpended primary grant
447 funds.

448 (3) The qualified candidate committee of an eligible petitioning
449 party candidate for the office of Attorney General, State Comptroller,
450 Secretary of the State or State Treasurer shall be eligible to receive a
451 grant from the fund for the general election campaign in the amount of
452 five hundred thousand dollars, provided in the case of an election held
453 in 2014, or thereafter, said amount shall be adjusted under subsection
454 (c) of this section.

455 (c) For elections held in 2014, and thereafter, the amount of the
456 grants in subsections (a) and (b) of this section shall be adjusted by the
457 State Elections Enforcement Commission not later than January 15,
458 2014, and quadrennially thereafter, in accordance with any change in
459 the consumer price index for all urban consumers as published by the
460 United States Department of Labor, Bureau of Labor Statistics, during
461 the period beginning on January 1, 2010, and ending on December
462 thirty-first in the year preceding the year in which said adjustment is
463 to be made.

464 (d) (1) The qualified candidate committee of a major party or minor
465 party candidate for the office of state senator who has a primary for
466 nomination to said office shall be eligible to receive a grant from the
467 fund for the primary campaign in the amount of fifty thousand dollars,
468 provided, in the case of a primary held in 2010, or thereafter, said
469 amount shall be adjusted under subsection (f) of this section.

470 (2) The qualified candidate committee of a major party or minor
471 party candidate for the office of state senator who is nominated shall
472 be eligible to receive a grant from the fund for the general election
473 campaign in the amount of ninety thousand dollars, provided (A) in

474 the case of an election held in 2010, or thereafter, said amount shall be
475 adjusted under subsection (f) of this section, and (B) if a candidate is
476 nominated at a primary and does not expend the entire grant from the
477 fund for the primary campaign, the amount of the grant for the general
478 election campaign shall be reduced by the amount of such unexpended
479 primary grant funds.

480 (3) The qualified candidate committee of an eligible petitioning
481 party candidate for the office of state senator shall be eligible to receive
482 a grant from the fund for the general election campaign in the amount
483 of ninety thousand dollars, provided in the case of an election held in
484 2010, or thereafter, said amount shall be adjusted under subsection (f)
485 of this section.

486 (e) (1) The qualified candidate committee of a major party or minor
487 party candidate for the office of state representative who has a primary
488 for nomination to said office shall be eligible to receive a grant from
489 the fund for the primary campaign in the amount of fifteen thousand
490 dollars, provided, in the case of a primary held in 2010, or thereafter,
491 said amount shall be adjusted under subsection (f) of this section.

492 (2) The qualified candidate committee of a candidate for the office of
493 state representative who is nominated shall be eligible to receive a
494 grant from the fund for the general election campaign in the amount of
495 twenty-five thousand dollars, provided (A) in the case of an election
496 held in 2010, or thereafter, said amount shall be adjusted under
497 subsection (f) of this section, and (B) if a candidate is nominated at a
498 primary and does not expend the entire grant from the fund for the
499 primary campaign, the amount of the grant for the general election
500 campaign shall be reduced by the amount of such unexpended
501 primary grant funds.

502 (3) The qualified candidate committee of an eligible petitioning
503 party candidate for the office of state representative shall be eligible to
504 receive a grant from the fund for the general election campaign in the
505 amount of twenty-five thousand dollars, provided in the case of an
506 election held in 2010, or thereafter, said amount shall be adjusted

507 under subsection (f) of this section.

508 (f) For elections held in 2010, and thereafter, the amount of the
509 grants in subsections (d) and (e) of this section shall be adjusted by the
510 State Elections Enforcement Commission not later than January 15,
511 2010, and biennially thereafter, in accordance with any change in the
512 consumer price index for all urban consumers as published by the
513 United States Department of Labor, Bureau of Labor Statistics, during
514 the period beginning on January 1, 2008, and ending on December
515 thirty-first in the year preceding the year in which said adjustment is
516 to be made.

517 (g) No grant under this section may be applied to a deficit incurred
518 by a candidate committee.

519 Sec. 11. (NEW) *(Effective July 1, 2005, and applicable to elections held in*
520 *2008, and thereafter)* (a) (1) A candidate for nomination to the office of
521 state senator or state representative in 2008, or thereafter, or the office
522 of Governor, Lieutenant Governor, Attorney General, State
523 Comptroller, Secretary of the State or State Treasurer in 2010, or
524 thereafter, may apply to the State Elections Enforcement Commission
525 for a grant from the fund under the Citizens' Election Program for a
526 primary campaign, after the close of the state convention of the
527 candidate's party that is called for the purpose of choosing candidates
528 for nomination for the office that the candidate is seeking, if a primary
529 is required under chapter 153 of the general statutes, and (A) said
530 party endorses the candidate for the office that the candidate is
531 seeking, (B) the candidate receives at least fifteen per cent of the votes
532 of the convention delegates present and voting on any roll-call vote
533 taken on the endorsement or proposed endorsement of a candidate for
534 the office the candidate is seeking, or (C) the candidate circulates a
535 petition and obtains the required number of signatures for filing a
536 candidacy for nomination for said office pursuant to section 9-400 of
537 the general statutes.

538 (2) A candidate for election to the office of state senator or state
539 representative in 2008, or thereafter, or the office of Governor,

540 Attorney General, State Comptroller, Secretary of the State or State
541 Treasurer in 2010, or thereafter, may apply to the State Elections
542 Enforcement Commission for a grant from the fund under the Citizens'
543 Election Program for a general election campaign, (A) after the close of
544 the state convention of the candidate's party that is called for the
545 purpose of choosing candidates for nomination for the office that the
546 candidate is seeking, if (i) said party endorses said candidate for the
547 office that the candidate is seeking and no other candidate of said
548 party files a certificate of candidacy with the Secretary of the State in
549 accordance with the provisions of section 9-400 of the general statutes,
550 (ii) the candidate receives at least fifteen per cent of the votes of the
551 convention delegates present and voting on any roll-call vote taken on
552 the endorsement or proposed endorsement of a candidate for the office
553 the candidate is seeking, no other candidate for said office at such
554 convention either receives the party endorsement or said percentage of
555 said votes for said endorsement or files a certificate of endorsement
556 with the Secretary of the State in accordance with the provisions of
557 section 9-388 of the general statutes or a certificate of candidacy with
558 the Secretary of the State in accordance with the provisions of section
559 9-400 of the general statutes, and no other candidate for said office
560 circulates a petition and obtains the required number of signatures for
561 filing a candidacy for nomination for said office pursuant to section 9-
562 400 of the general statutes, or (iii) the candidate circulates a petition
563 and obtains the required number of signatures for filing a candidacy
564 for nomination for said office pursuant to section 9-400 of the general
565 statutes and no other candidate for said office at such convention
566 either receives the party endorsement or said percentage of said votes
567 for said endorsement or files a certificate of endorsement with the
568 Secretary of the State in accordance with the provisions of section 9-388
569 of the general statutes or a certificate of candidacy with the Secretary
570 of the State in accordance with the provisions of section 9-400 of the
571 general statutes, (B) after any primary held by such party for
572 nomination for said office, if the Secretary of the State declares that the
573 candidate is the party nominee in accordance with the provisions of
574 section 9-440 of the general statutes, or (C) in the case of a petitioning

575 party candidate, after approval by the Secretary of the State of such
576 candidate's nominating petition pursuant to subsection (c) of section 9-
577 453o of the general statutes.

578 (b) The application shall include a written certification that:

579 (1) The candidate committee has received the required amount of
580 qualifying contributions;

581 (2) The candidate committee has repaid all moneys borrowed on
582 behalf of the campaign, as required by subsection (b) of section 15 of
583 this act;

584 (3) The candidate committee has returned any contribution from an
585 individual who does not include the individual's name and address
586 with the contribution;

587 (4) The candidate committee and exploratory committee have
588 returned all contributions or portions of contributions that do not meet
589 the criteria for qualifying contributions under section 9 of this act;

590 (5) The campaign treasurer of the candidate committee shall comply
591 with the provisions of sections 1 and 6 to 21, inclusive, of this act;

592 (6) All moneys received from the Citizens' Election Fund shall be
593 deposited upon receipt into the depository account of the candidate
594 committee;

595 (7) The campaign treasurer of the candidate committee shall expend
596 all moneys received from the fund in accordance with the provisions of
597 subsection (g) of section 9-333i of the general statutes and guidelines
598 adopted by the State Elections Enforcement Commission under
599 subsection (e) of this section; and

600 (8) If the candidate withdraws from the campaign, becomes
601 ineligible or dies during the campaign, the candidate committee of the
602 candidate shall return to the commission, for deposit in the fund, all
603 moneys received from the fund pursuant to sections 1 and 6 to 21,

604 inclusive, of this act which said candidate committee has not spent as
605 of the date of such occurrence.

606 (c) The application shall be accompanied by a cumulative itemized
607 accounting of all funds received, expenditures made and expenses
608 incurred but not yet paid by the candidate committee as of three days
609 before the date that the application is signed. Such accounting shall be
610 sworn to under penalty of false statement by the campaign treasurer of
611 the candidate committee. The commission shall prescribe the form of
612 the application and the cumulative itemized accounting, after
613 consulting with the Secretary of the State. The form for such
614 accounting shall conform to the requirements of section 9-333j of the
615 general statutes, as amended by this act. Both the candidate and the
616 campaign treasurer of the candidate committee shall sign the
617 application.

618 (d) Not later than three business days following receipt of any such
619 application, the commission shall review the application, determine
620 whether the candidate committee for the applicant (1) has received the
621 required qualifying contributions, (2) in the case of an application for a
622 grant from the fund for a primary campaign, the applicant has met the
623 applicable condition under subsection (a) of this section for applying
624 for such moneys and complied with the provisions of subsections (b)
625 and (c) of this section, and at least either one other participating
626 candidate for nomination in the primary, from the same party and for
627 the same office as the applicant, has also received the required
628 qualifying contributions or at least one nonparticipating candidate for
629 nomination in the primary, from the same party and for the same
630 office as the applicant, has received an amount of contributions equal
631 to the amount of such qualifying contributions, and (3) in the case of
632 an application for a grant from the fund for a general election
633 campaign, the applicant has met the applicable condition under
634 subsection (a) of this section for applying for such moneys and
635 complied with the provisions of subsections (b) and (c) of this
636 subsection. If the commission approves an application, the commission
637 shall determine the amount of the grant payable to the candidate

638 committee for the applicant, from the fund, and notify the State
639 Comptroller and the candidate of such candidate committee, of such
640 amount. Not later than two business days following notification by the
641 commission, the State Comptroller shall draw an order on the State
642 Treasurer for payment of such amount to the qualified candidate
643 committee from the fund.

644 (e) The State Elections Enforcement Commission shall establish
645 guidelines on permissible expenditures under subsection (g) of section
646 9-333i of the general statutes for qualified candidate committees
647 receiving grants from the fund under sections 6 to 21, inclusive, of this
648 act.

649 Sec. 12. (NEW) (*Effective July 1, 2005, and applicable to elections held in*
650 *2008, and thereafter*) Following the initial deposit of moneys from the
651 Citizens' Election Fund into the depository account of a qualified
652 candidate committee, no contribution, loan, amount of the candidate's
653 own moneys or any other moneys received by the candidate or the
654 campaign treasurer on behalf of the committee shall be deposited into
655 said depository account, except (1) grants from the fund, and (2) any
656 additional moneys from the fund as provided in sections 17 and 18 of
657 this act.

658 Sec. 13. (NEW) (*Effective July 1, 2005, and applicable to elections held in*
659 *2008, and thereafter*) A qualified candidate committee that received
660 moneys from the Citizens' Election Fund for a primary campaign and
661 whose candidate is the party nominee shall receive moneys from the
662 fund for a general election campaign. Upon receiving verification from
663 the Secretary of the State of the declaration by the Secretary of the State
664 in accordance with the provisions of section 9-440 of the general
665 statutes of the results of the votes cast at the primary, the State
666 Elections Enforcement Commission shall notify the State Comptroller
667 of the amount payable to such qualified candidate committee. Not
668 later than two business days following notification by the commission,
669 the State Comptroller shall draw an order on the State Treasurer for
670 payment of the general election campaign grant to said committee

671 from said fund.

672 Sec. 14. (NEW) (*Effective July 1, 2005, and applicable to elections held in*
673 *2008, and thereafter*) (a) For purposes of this section, expenditures made
674 to aid or promote the success of both a candidate for nomination or
675 election to the office of Governor and a candidate for nomination or
676 election to the office of Lieutenant Governor jointly, shall be
677 considered expenditures made to aid or promote the success of a
678 candidate for nomination or election to the office of Governor. The
679 party-endorsed candidate for nomination or election to the office of
680 Lieutenant Governor and the party-endorsed candidate for nomination
681 or election to the office of Governor shall be deemed to be aiding or
682 promoting the success of both candidates jointly upon the earliest of
683 the following: (1) The primary, whether held for the office of Governor,
684 the office of Lieutenant Governor, or both; (2) if no primary is held for
685 the office of Governor or Lieutenant Governor, the convention; or (3) a
686 declaration by the party-endorsed candidates that they shall campaign
687 jointly. Any other candidate for nomination or election to the office of
688 Lieutenant Governor shall be deemed to be aiding or promoting the
689 success of such candidacy for the office of Lieutenant Governor and
690 the success of a candidate for nomination or election to the office of
691 Governor jointly upon a declaration by the candidates that they shall
692 campaign jointly.

693 (b) The candidate committee formed to aid or promote the success
694 of a candidate for nomination or election to the office of Lieutenant
695 Governor, the candidate of which campaigns jointly with a candidate
696 for nomination or election to the office of Governor, shall be dissolved
697 as of the applicable date set forth in subsection (a) of this section. Not
698 later than fifteen days after the applicable date set forth in subsection
699 (a) of this section, the campaign treasurer of the candidate committee
700 formed to aid or promote the success of said candidate for nomination
701 or election to the office of Lieutenant Governor shall file a statement
702 with the proper authority under section 9-333e of the general statutes,
703 as amended by this act, identifying all contributions received or
704 expenditures made by the committee since the previous statement and

705 the balance on hand or deficit, as the case may be. Not later than thirty
706 days after the applicable date set forth in subsection (a) of this section,
707 (1) the campaign treasurer of a qualified candidate committee formed
708 to aid or promote the success of said candidate for nomination or
709 election to the office of Lieutenant Governor shall distribute any
710 surplus to the fund, and (2) the campaign treasurer of a nonqualified
711 candidate committee formed to aid or promote the success of said
712 candidate for nomination or election to the office of Lieutenant
713 Governor shall distribute such surplus in accordance with the
714 provisions of subsection (e) of section 9-333j of the general statutes, as
715 amended by this act.

716 Sec. 15. (NEW) (*Effective July 1, 2005, and applicable to elections held in*
717 *2008, and thereafter*) (a) A qualified candidate committee may borrow
718 moneys on behalf of a campaign for a primary or a general election
719 from one or more financial institutions, as defined in section 36a-41 of
720 the general statutes, in an aggregate amount not to exceed one
721 thousand dollars. The amount borrowed shall not constitute a
722 qualifying contribution. No individual, political committee or party
723 committee, except the candidate or, in a general election, the state
724 central committee of a political party, shall endorse or guarantee such
725 a loan in an aggregate amount in excess of five hundred dollars. An
726 endorsement or guarantee of such a loan shall constitute a contribution
727 by such individual or committee for so long as the loan is outstanding.
728 The amount endorsed or guaranteed by such individual or committee
729 shall cease to constitute a contribution upon repayment of the amount
730 endorsed or guaranteed.

731 (b) All such loans shall be repaid in full prior to the date a candidate
732 committee applies for the moneys from the Citizens' Election Fund
733 pursuant to section 11 of this act. A candidate who fails to repay such
734 loans or fails to certify such repayment to the State Elections
735 Enforcement Commission shall not be eligible to receive and shall not
736 receive moneys from the fund.

737 Sec. 16. (NEW) (*Effective July 1, 2005, and applicable to elections held in*

2008, and thereafter) (a) A qualified candidate committee that receives a grant from the Citizens' Election Fund pursuant to section 11 of this act and makes expenditures in excess of the sum of an expenditure limit set forth in subdivision (1) of subsection (c) of section 7 of this act and the amount any additional moneys the candidate committee receives from the fund under section 17 or 18 of this act, (1) shall repay to the fund the full amount of such grant and moneys, (2) shall not receive any additional moneys from the fund for the remainder of the election cycle, (3) shall be subject to civil penalties under section 9-7b of the general statutes, as amended by this act, and (4) shall be deemed to be a nonparticipating candidate for the purposes of sections 1 and 6 to 21, inclusive, of this act.

(b) A candidate whose candidate committee fails to return any surplus grant funds to the fund not later than ninety days after a primary or an election, whichever is applicable shall be subject to the penalties for larceny under sections 53a-122 to 53a-125b, inclusive, of the general statutes depending on the amount involved.

Sec. 17. (NEW) (*Effective July 1, 2005, and applicable to elections held in 2008, and thereafter*) (a) Additional moneys from the Citizens' Election Fund shall be paid to a qualified candidate committee that received moneys from the fund if the committee of an opposing candidate makes expenditures in excess of an expenditure limit set forth in subdivision (1) of subsection (c) of section 7 of this act. Such additional moneys from the fund shall be paid to a qualified candidate committee that received moneys from the fund (1) regardless of whether the candidate committee that makes expenditures in excess of the applicable expenditure limit has received moneys from the fund, (2) in an amount equal to the greatest amount of expenditures in excess of the applicable expenditure limit that the committee of an opposing candidate has made, but not more than one hundred per cent of the amount of moneys that the qualified candidate committee has received from the fund for the primary campaign or general election campaign for which such excess expenditures are made, and (3) immediately following the State Elections Enforcement Commission's verification

772 that the committee of an opposing candidate has made expenditures in
773 excess of the applicable expenditure limit.

774 (b) If a nonparticipating candidate makes or incurs the obligation to
775 make an excess expenditure more than twenty days before the day of a
776 primary or election, the candidate shall file a declaration of excess
777 expenditures not later than forty-eight hours after making or incurring
778 the expenditure. If a nonparticipating candidate makes or incurs the
779 obligation to make an excess expenditure twenty days or less before
780 the day of a primary or election, the candidate shall file a declaration of
781 excess expenditures not later than twenty-four hours after making or
782 incurring the expenditure. The commission may determine whether
783 any expenditure by a nonparticipating candidate shall be deemed an
784 excess expenditure.

785 Sec. 18. (NEW) (*Effective July 1, 2005, and applicable to elections held in*
786 *2008, and thereafter*) Upon the receipt of a report under subsection (e) of
787 section 9-333n of the general statutes, as amended by this act, that an
788 independent expenditure has been made or obligated to be made, with
789 the intent to promote the defeat of a candidate whose candidate
790 committee has received a grant under the Citizens' Election Program,
791 the State Elections Enforcement Commission shall immediately notify
792 the State Comptroller that additional money, equal to the amount of
793 the independent expenditure, shall be paid to said candidate
794 committee. Not later than two business days following notification by
795 the commission, the State Comptroller shall draw an order on the State
796 Treasurer for payment of such amount to said candidate committee
797 from the Citizens' Election Fund. The provisions of this section shall be
798 subject to the following:

799 (1) The maximum aggregate amount of funding that the qualified
800 candidate committee of a participating candidate shall receive to
801 match the independent expenditures made or obligated to be made on
802 behalf of an opposing participating candidate shall not be greater than
803 one hundred per cent of the total moneys that said candidate
804 committee has received from the fund for the primary campaign or

805 general election campaign for which such independent expenditures
806 are made or obligated to be made.

807 (2) The maximum aggregate amount of funding that the qualified
808 candidate committee of a participating candidate shall receive to
809 match the independent expenditures and the excess expenditures of a
810 nonparticipating candidate shall not be greater than two hundred per
811 cent of the total moneys that said candidate committee has received
812 from the fund for the primary campaign or general election campaign
813 for which such independent expenditures and excess expenditures are
814 made or obligated to be made.

815 (3) The additional moneys under this section to match independent
816 expenditures shall be granted to the qualified candidate committee of a
817 participating candidate opposed by a nonparticipating candidate only
818 if the nonparticipating candidate's campaign expenditures, combined
819 with the amount of the independent expenditures, exceed the
820 applicable permitted expenditure amount for the participating
821 candidate, during the primary campaign or the general election
822 campaign.

823 (4) If a participating candidate receives additional moneys under
824 this section to match independent expenditures made during a
825 primary campaign and such candidate does not spend all of such
826 additional moneys during such campaign, the candidate may carry
827 over the moneys to the general election campaign. In such case, the
828 general election grant shall be reduced by the amount of such moneys
829 carried over.

830 Sec. 19. (NEW) (*Effective July 1, 2005, and applicable to elections held in*
831 *2008, and thereafter*) The campaign treasurer for each candidate for
832 election to state office in 2008, or thereafter shall file campaign finance
833 statements with the office of the Secretary of the State (1) according to
834 the same schedules as required of a campaign treasurer of a candidate
835 committee under section 9-333j of the general statutes, as amended by
836 this act, until receiving contributions, receipts and grants totaling
837 seventy-five per cent of the applicable expenditure limit for a general

838 election campaign, as set forth in subdivision (1) of subsection (c) of
839 section 7 of this act, and (2) then, notwithstanding said schedule in
840 section 9-333j of the general statutes, as amended by this act, on the
841 second Thursday of each month between the beginning of the fourth
842 month preceding the day of the election for said office and the
843 beginning of the sixth week preceding the election and then on each
844 Thursday until the day of the election. Said statements shall be
845 prepared in the same manner as statements required under section 9-
846 333j of the general statutes, as amended by this act. If a campaign
847 treasurer fails to file any statement required by this section (A) within
848 the time required, or (B) with both the Secretary of the State and the
849 State Elections Enforcement Commission, such campaign treasurer
850 shall be subject to a civil penalty imposed by the commission, of not
851 more than one thousand dollars for each such failure under
852 subparagraph (A) or (B) of subdivisions (1) and (2) of this section.

853 Sec. 20. (NEW) (*Effective July 1, 2005, and applicable to elections held in*
854 *2008, and thereafter*) The Secretary of the State shall provide to each
855 committee whose candidate has filed an affidavit under subsection (a)
856 of section 8 of this act certifying that the candidate intends to abide by
857 the applicable expenditure limits under the Citizens' Election Program,
858 a copy of the voter registration list for the state, which is generated
859 from the state-wide centralized voter registration system established
860 pursuant to the plan authorized under section 1 of special act 91-45
861 and completed pursuant to section 9-50b of the general statutes. The
862 Secretary shall provide the copy in electronic format, free of charge.

863 Sec. 21. (NEW) (*Effective July 1, 2005, and applicable to elections held in*
864 *2008, and thereafter*) (a) Not later than June 1, 2006, and annually
865 thereafter, the State Elections Enforcement Commission shall issue a
866 report on the status of the Citizens' Election Fund during the previous
867 calendar year. Such report shall include the amount of moneys
868 deposited in the fund, the sources of moneys received by category, the
869 number of contributions, the number of contributors, the amount of
870 moneys expended by category, the recipients of moneys distributed
871 from the fund and an accounting of the costs incurred by the

872 commission in administering the provisions of sections 1 and 6 to 21,
873 inclusive, of this act.

874 (b) Not later than January first in any year in which a state election
875 is to be held, the commission shall determine whether the amount of
876 moneys in the fund is sufficient to carry out the purposes of sections 1
877 and 6 to 21, inclusive, of this act. If the commission determines that
878 such amount is not sufficient to carry out such purposes, the
879 commission shall, not later than three days after such later
880 determination, (1) determine the percentage of the fund's obligations
881 that can be met for such election, (2) recalculate the amount of each
882 payment that a qualified candidate committee is entitled to receive
883 under section 11 of this act by multiplying such percentage by the
884 amount that such committees would have been entitled to receive
885 under sections 1 and 6 to 21, inclusive, of this act if there were a
886 sufficient amount of moneys in the fund, and (3) notify each such
887 committee of such insufficiency, percentage and applicable
888 recalculation. After a qualified candidate committee under section 11
889 of this act first receives any such recalculated payment, the committee
890 may resume accepting contributions and making expenditures from
891 such contributions, up to the highest amount of expenditures made by
892 a nonparticipating candidate for the same nomination or primary. The
893 commission shall also issue a report on said determination.

894 (c) The commission shall establish a reserve account in the fund. The
895 first twenty-five thousand dollars deposited in the fund during any
896 year shall be placed in said account. The commission shall use moneys
897 in the reserve account only during the seven days preceding a primary
898 or an election for payments to candidates (1) whose payments were
899 reduced under subsection (b) of this section, or (2) who are entitled to
900 funding to match, during said seven-day period, independent
901 expenditures pursuant to section 18 of this act.

902 Sec. 22. Section 9-333a of the general statutes, is repealed and the
903 following is substituted in lieu thereof (*Effective July 1, 2005*):

904 As used in this chapter and sections 6 to 21, inclusive, of this act:

905 (1) "Committee" means a party committee, political committee or a
906 candidate committee organized, as the case may be, for a single
907 primary, election or referendum, or for ongoing political activities, to
908 aid or promote the success or defeat of any political party, any one or
909 more candidates for public office or the position of town committee
910 member or any referendum question.

911 (2) "Party committee" means a state central committee or a town
912 committee. "Party committee" does not mean a party-affiliated or
913 district, ward or borough committee which receives all of its funds
914 from the state central committee of its party or from a single town
915 committee with the same party affiliation. Any such committee so
916 funded shall be construed to be a part of its state central or town
917 committee for purposes of this chapter and sections 6 to 21, inclusive,
918 of this act.

919 (3) "Political committee" means (A) a committee organized by a
920 business entity or organization, (B) persons other than individuals, or
921 two or more individuals organized or acting jointly conducting their
922 activities in or outside the state, (C) a committee established by a
923 candidate to determine the particular public office to which [he] such
924 candidate shall seek nomination or election, and referred to in this
925 chapter as an exploratory committee, [or] (D) a committee established
926 by or on behalf of a slate of candidates in a primary for the office of
927 justice of the peace, but does not mean a candidate committee or a
928 party committee, or (E) a legislative caucus committee.

929 (4) "Candidate committee" means any committee designated by a
930 single candidate, or established with the consent, authorization or
931 cooperation of a candidate, for the purpose of a single primary or
932 election and to aid or promote [his] such candidate's candidacy alone
933 for a particular public office or the position of town committee
934 member, but does not mean a political committee or a party
935 committee.

936 (5) "National committee" means the organization which according to
937 the bylaws of a political party is responsible for the day-to-day

938 operation of the party at the national level.

939 (6) "Organization" means all labor organizations, (A) as defined in
940 the Labor-Management Reporting and Disclosure Act of 1959, as from
941 time to time amended, or (B) as defined in subdivision (9) of section
942 31-101, employee organizations as defined in subsection (d) of section
943 5-270 and subdivision (6) of section 7-467, bargaining representative
944 organizations for teachers, any local, state or national organization, to
945 which a labor organization pays membership or per capita fees, based
946 upon its affiliation or membership, and trade or professional
947 associations which receive their funds exclusively from membership
948 dues, whether organized in or outside of this state, but does not mean
949 a candidate committee, party committee or a political committee.

950 (7) "Business entity" means the following, whether organized in or
951 outside of this state: Stock corporations, banks, insurance companies,
952 business associations, bankers associations, insurance associations,
953 trade or professional associations which receive funds from
954 membership dues and other sources, partnerships, joint ventures,
955 private foundations, as defined in Section 509 of the Internal Revenue
956 Code of 1986, or any subsequent corresponding internal revenue code
957 of the United States, as from time to time amended; trusts or estates;
958 corporations organized under sections 38a-175 to 38a-192, inclusive,
959 38a-199 to 38a-209, inclusive, and 38a-214 to 38a-225, inclusive, and
960 chapters 594 to 597, inclusive; cooperatives, and any other association,
961 organization or entity which is engaged in the operation of a business
962 or profit-making activity; but does not include professional service
963 corporations organized under chapter 594a and owned by a single
964 individual, nonstock corporations which are not engaged in business
965 or profit-making activity, organizations, as defined in subdivision (6)
966 of this section, candidate committees, party committees and political
967 committees as defined in this section. For purposes of this chapter,
968 corporations which are component members of a controlled group of
969 corporations, as those terms are defined in Section 1563 of the Internal
970 Revenue Code of 1986, or any subsequent corresponding internal
971 revenue code of the United States, as from time to time amended, shall

972 be deemed to be one corporation.

973 (8) "Individual" means a human being, a sole proprietorship, or a
974 professional service corporation organized under chapter 594a and
975 owned by a single human being.

976 (9) "Person" means an individual, committee, firm, partnership,
977 organization, association, syndicate, company trust, corporation,
978 limited liability company or any other legal entity of any kind but does
979 not mean the state or any political or administrative subdivision of the
980 state.

981 (10) "Candidate" means an individual who seeks nomination for
982 election or election to public office whether or not such individual is
983 elected, and for the purposes of this chapter and sections 6 to 21,
984 inclusive, of this act an individual shall be deemed to seek nomination
985 for election or election if [he] such individual has (A) been endorsed by
986 a party or become eligible for a position on the ballot at an election or
987 primary, or (B) solicited or received contributions, made expenditures
988 or given [his] such individual's consent to any other person to solicit or
989 receive contributions or make expenditures with the intent to bring
990 about [his] such individual's nomination for election or election to any
991 such office. "Candidate" also means a slate of candidates which is to
992 appear on the ballot in a primary for the office of justice of the peace.
993 For the purposes of sections 9-333 to 9-333l, inclusive, as amended by
994 this act, and section 9-333w, "candidate" also means an individual who
995 is a candidate in a primary for town committee members.

996 (11) "Campaign treasurer" means the individual appointed by a
997 candidate or by the [chairman] chairperson of a party committee or a
998 political committee to receive and disburse funds on behalf of the
999 candidate or committee.

1000 (12) "Deputy campaign treasurer" means the individual appointed
1001 by the candidate or by the [chairman] chairperson of a committee to
1002 serve in the capacity of the campaign treasurer if the campaign
1003 treasurer is unable to perform [his] the campaign treasurer's duties.

1004 (13) "Solicitor" means an individual appointed by a campaign
1005 treasurer of a committee to receive, but not to disburse, funds on
1006 behalf of the committee.

1007 (14) "Referendum question" means a question to be voted upon at
1008 any election or referendum, including a proposed constitutional
1009 amendment.

1010 (15) "Lobbyist" means a lobbyist as defined in subsection (l) of
1011 section 1-91.

1012 (16) "Business with which he is associated" means any business in
1013 which the contributor is a director, officer, owner, limited or general
1014 partner or holder of stock constituting five per cent or more of the total
1015 outstanding stock of any class. Officer refers only to the president,
1016 executive or senior vice-president or treasurer of such business.

1017 (17) "Independent expenditure" means an expenditure that is made
1018 without the consent, knowing participation, or consultation of, a
1019 candidate or agent of the candidate committee. "Independent
1020 expenditure" does not include an expenditure (A) if there is any
1021 coordination or direction with respect to the expenditure between the
1022 candidate or the treasurer, deputy treasurer or [chairman] chairperson
1023 of [his] such candidate committee and the person making the
1024 expenditure, or (B) if, during the same election cycle, the individual
1025 making the expenditure serves or has served as the treasurer, deputy
1026 treasurer or [chairman] chairperson of the candidate committee.

1027 (18) "Federal account" means a depository account that is subject to
1028 the disclosure and contribution limits provided under the Federal
1029 Election Campaign Act of 1971, as amended from time to time.

1030 (19) "Public funds" means funds belonging to, or under the control
1031 of, the state or a political subdivision of the state.

1032 (20) "Legislative caucus committee" means a single committee
1033 designated by the majority of the members of a political party who are
1034 also state representatives or state senators, which designation is

1035 certified by the chairperson of the committee on the registration filed
1036 with the Secretary of the State. The committee shall be identified by the
1037 house of the General Assembly in which such legislators serve and the
1038 political party to which they belong.

1039 Sec. 23. Section 9-333b of the general statutes is repealed and the
1040 following is substituted in lieu thereof (*Effective July 1, 2005*):

1041 (a) As used in this chapter and sections 6 to 21, inclusive, of this act,
1042 "contribution" means:

1043 (1) Any gift, subscription, loan, advance, payment or deposit of
1044 money or anything of value, made for the purpose of influencing the
1045 nomination for election, or election, of any person or for the purpose of
1046 aiding or promoting the success or defeat of any referendum question
1047 or on behalf of any political party;

1048 (2) A written contract, promise or agreement to make a contribution
1049 for any such purpose;

1050 (3) The payment by any person, other than a candidate or campaign
1051 treasurer, of compensation for the personal services of any other
1052 person which are rendered without charge to a committee or candidate
1053 for any such purpose;

1054 (4) An expenditure when made by a person with the cooperation of,
1055 or in consultation with, any candidate, candidate committee or
1056 candidate's agent or which is made in concert with, or at the request or
1057 suggestion of, any candidate, candidate committee or candidate's
1058 agent; or

1059 (5) Funds received by a committee which are transferred from
1060 another committee or other source for any such purpose.

1061 (b) As used in this chapter and sections 6 to 21, inclusive, of this act,
1062 "contribution" does not mean:

1063 (1) A loan of money made in the ordinary course of business by a

1064 national or state bank;

1065 (2) Any communication made by a corporation, organization or
1066 association to its members, owners, stockholders, executive or
1067 administrative personnel, or their families;

1068 (3) Nonpartisan voter registration and get-out-the-vote campaigns
1069 by any corporation, organization or association aimed at its members,
1070 owners, stockholders, executive or administrative personnel, or their
1071 families;

1072 (4) Uncompensated services provided by individuals volunteering
1073 their time;

1074 (5) The use of real or personal property, and the cost of invitations,
1075 food or beverages, voluntarily provided by an individual to a
1076 candidate or on behalf of a state central or town committee, in
1077 rendering voluntary personal services for candidate or party-related
1078 activities at the individual's residence, to the extent that the cumulative
1079 value of the invitations, food or beverages provided by the individual
1080 on behalf of any single candidate does not exceed two hundred dollars
1081 with respect to any single election, and on behalf of all state central
1082 and town committees does not exceed four hundred dollars in any
1083 calendar year;

1084 (6) The sale of food or beverage for use in a candidate's campaign or
1085 for use by a state central or town committee at a discount, if the charge
1086 is not less than the cost to the vendor, to the extent that the cumulative
1087 value of the discount given to or on behalf of any single candidate does
1088 not exceed two hundred dollars with respect to any single election,
1089 and on behalf of all state central and town committees does not exceed
1090 four hundred dollars in a calendar year;

1091 (7) Any unreimbursed payment for travel expenses made by an
1092 individual who on the individual's own behalf volunteers the
1093 individual's personal services to any single candidate to the extent the
1094 cumulative value does not exceed two hundred dollars with respect to

1095 any single election, and on behalf of all state central or town
1096 committees does not exceed four hundred dollars in a calendar year;

1097 (8) The payment, by a party committee, political committee or an
1098 individual, of the costs of preparation, display, mailing or other
1099 distribution incurred by the committee or individual with respect to
1100 any printed slate card, sample ballot or other printed list containing
1101 the names of three or more candidates;

1102 (9) The donation of any item of personal property by an individual
1103 to a committee for a fund-raising affair, including a tag sale or auction,
1104 or the purchase by an individual of any such item at such an affair, to
1105 the extent that the cumulative value donated or purchased does not
1106 exceed fifty dollars;

1107 (10) The purchase of advertising space which clearly identifies the
1108 purchaser, in a program for a fund-raising affair, provided the
1109 cumulative purchase of such space does not exceed (A) two hundred
1110 fifty dollars from any single candidate or the candidate's committee
1111 with respect to any single election campaign or two hundred fifty
1112 dollars from any single party committee or other political committee in
1113 any calendar year if the purchaser is a business entity [or] that is not a
1114 lobbyist, (B) one hundred fifty dollars from any single candidate or the
1115 candidate's committee with respect to any single election campaign or
1116 one hundred dollars from any single party committee or other political
1117 committee in any calendar year if the purchaser is a business entity
1118 that is a client lobbyist but does not employ a lobbyist and does not
1119 have a director, officer, partner or owner of five per cent or more of the
1120 business entity who is a lobbyist, (C) one hundred dollars from any
1121 single candidate or the candidate's committee with respect to any
1122 single election campaign or one hundred dollars from any single party
1123 committee or other political committee in any calendar year if the
1124 purchaser is a business entity that employs a lobbyist or has a director,
1125 officer, partner or owner of five per cent or more of the business entity
1126 who is a lobbyist, or (D) fifty dollars for purchases by a communicator
1127 lobbyist or any other person;

1128 (11) The payment of money by a candidate to the candidate's
1129 candidate committee;

1130 (12) The donation of goods or services by a business entity to a
1131 committee for a fund-raising affair, including a tag sale or auction, to
1132 the extent that the cumulative value donated does not exceed one
1133 hundred dollars;

1134 (13) The advance of a security deposit by an individual to a
1135 telephone company, as defined in section 16-1, for telecommunications
1136 service for a committee, provided the security deposit is refunded to
1137 the individual;

1138 (14) The provision of facilities, equipment, technical and managerial
1139 support, and broadcast time by a community antenna television
1140 company, as defined in section 16-1, for community access
1141 programming pursuant to section 16-331a, unless (A) the major
1142 purpose of providing such facilities, equipment, support and time is to
1143 influence the nomination or election of a candidate, or (B) such
1144 facilities, equipment, support and time are provided on behalf of a
1145 political party; or

1146 (15) The sale of food or beverage by a town committee to an
1147 individual at a town fair, county fair or similar mass gathering held
1148 within the state, to the extent that the cumulative payment made by
1149 any one individual for such items does not exceed fifty dollars.

1150 Sec. 24. Subsection (a) of section 9-333e of the general statutes, is
1151 repealed and the following is substituted in lieu thereof (*Effective July*
1152 *1, 2005*):

1153 (a) Statements filed by party committees, political committees
1154 formed to aid or promote the success or defeat of a referendum
1155 question proposing a constitutional convention, constitutional
1156 amendment or revision of the Constitution, individual lobbyists, and
1157 those political committees and candidate committees formed to aid or
1158 promote the success or defeat of any candidate for the office of

1159 Governor, Lieutenant Governor, Secretary of the State, State Treasurer,
1160 Comptroller, Attorney General, judge of probate and members of the
1161 General Assembly, shall be filed with the office of the Secretary of the
1162 State. On and after January 1, 2008, a copy of each statement filed by a
1163 candidate committee formed to aid or promote the success of any
1164 candidate for the office of Governor, Lieutenant Governor, Secretary of
1165 the State, State Treasurer, State Comptroller, Attorney General, state
1166 senator or state representative shall be filed at the same time with the
1167 State Elections Enforcement Commission. A copy of each statement
1168 filed by a town committee shall be filed at the same time with the town
1169 clerk of the municipality in which the committee is situated. A political
1170 committee formed for a slate of candidates in a primary for the office
1171 of justice of the peace shall file statements with both the Secretary of
1172 the State and the town clerk of the municipality in which the primary
1173 is to be held.

1174 Sec. 25. Subsection (a) of section 9-333k of the general statutes is
1175 repealed and the following is substituted in lieu thereof (*Effective July*
1176 *1, 2005*):

1177 (a) The chairman of each party committee shall designate a
1178 campaign treasurer and may designate a deputy campaign treasurer,
1179 or in the case of a state central committee, not more than two deputy
1180 campaign treasurers. The campaign treasurer and any deputy
1181 campaign treasurers so designated shall sign a statement accepting the
1182 designation, which shall be filed with the proper authority with the
1183 statement of designation required under subdivision (1) of subsection
1184 (a) of section 9-333d. No state central committee or town committee
1185 shall establish a committee other than a single party committee for
1186 purposes of this chapter. The members of the same political party in a
1187 house of the General Assembly may establish only one legislative
1188 caucus committee. A party committee or a political committee
1189 organized for ongoing political activities shall form no other political
1190 committees, except that two or more such committees may join to form
1191 a political committee for the purpose of a single fund-raising event.

1192 Sec. 26. Subsection (e) of section 9-333l of the general statutes is
1193 repealed and the following is substituted in lieu thereof (*Effective July*
1194 *1, 2005*):

1195 (e) (1) For purposes of this subsection and subsection (f) of this
1196 section, the exclusions to the term "contribution" in subsection (b) of
1197 section 9-333b shall not apply; the term "state office" means the office
1198 of Governor, Lieutenant Governor, Attorney General, State
1199 Comptroller, State Treasurer or Secretary of the State; and the term
1200 "state officer" means the Governor, Lieutenant Governor, Attorney
1201 General, State Comptroller, State Treasurer or Secretary of the State.

1202 (2) Notwithstanding any provision of this chapter, [to the contrary,]
1203 during any regular session of the General Assembly, during any
1204 special session of the General Assembly held between the adjournment
1205 of the regular session in an odd-numbered year and the convening of
1206 the regular session in the following even-numbered year or during any
1207 reconvened session of the General Assembly held in an odd-numbered
1208 year to reconsider vetoed bills, [(1)] (A) no lobbyist or political
1209 committee established by or on behalf of a lobbyist shall make or offer
1210 to make a contribution to or on behalf of, [and no lobbyist shall solicit a
1211 contribution on behalf of,] [(A)] (i) a candidate or exploratory
1212 committee established by a candidate for nomination or election to the
1213 General Assembly or a state office or [(B)] (ii) a political committee [(i)]
1214 established for an assembly or senatorial district, [(ii)] established by a
1215 member of the General Assembly or a state officer or such member or
1216 officer's agent, or in consultation with, or at the request or suggestion
1217 of, any such member, officer or agent, or [(iii)] controlled by such
1218 member, officer or agent, to aid or promote the nomination or election
1219 of any candidate or candidates to the General Assembly or a state
1220 office, and [(2)] (B) no such candidate or political committee shall
1221 accept such a contribution. The provisions of this [subsection]
1222 subdivision shall not apply to a candidate committee established by a
1223 member of the General Assembly or a candidate for nomination or
1224 election to the General Assembly, at a special election for the General
1225 Assembly, from the date on which the candidate or the chairman of the

1226 committee files the designation of a campaign treasurer and a
1227 depository institution under section 9-333d with the Secretary of the
1228 State, to the date on which the special election is held, inclusive, or to
1229 an exploratory committee established by a member of the General
1230 Assembly to promote his candidacy for an office other than the
1231 General Assembly.

1232 (3) Notwithstanding any provision of this chapter, no lobbyist or
1233 member of the lobbyist's immediate family shall solicit a contribution
1234 on behalf of (A) a candidate or exploratory committee established by a
1235 candidate for nomination or election to the General Assembly or a
1236 state office, or (B) a political committee (i) established for an assembly
1237 or senatorial district, (ii) established by a member of the General
1238 Assembly or a state officer or such member or officer's agent, or in
1239 consultation with, or at the request or suggestion of, any such member,
1240 officer or agent, or (iii) controlled by such member, officer or agent, to
1241 aid or promote the nomination or election of any candidate or
1242 candidates to the General Assembly or a state office.

1243 Sec. 27. Subsection (g) of section 9-333l of the general statutes is
1244 repealed and the following is substituted in lieu thereof (*Effective July*
1245 *1, 2005*):

1246 (g) As used in this [subsection] section, "immediate family" means
1247 any spouse or dependent child who resides in a lobbyist's household.
1248 Each lobbyist who is an individual and, in conjunction with members
1249 of his immediate family, makes contributions to or purchases from
1250 committees exceeding one thousand dollars in the aggregate during
1251 the twelve-month period beginning July 1, 1993, or July first in any
1252 year thereafter, shall file a statement, sworn under penalty of false
1253 statement, with the Secretary of the State in accordance with the
1254 provisions of section 9-333e, on the second Thursday in July following
1255 the end of such twelve-month period. The statement shall include: (1)
1256 The name of each committee to which the lobbyist or a member of his
1257 immediate family has made a contribution and the amount and date of
1258 each such contribution; and (2) the name of each committee from

1259 which the lobbyist or member of his immediate family has purchased
1260 any item of property [or advertising space in a program] in connection
1261 with a fund-raising event which is not considered a contribution under
1262 subsection (b) of section 9-333b and the amount, date and description
1263 of each such purchase. Each lobbyist who is an individual and who, in
1264 conjunction with members of his immediate family, does not make
1265 contributions to or purchases from committees exceeding one
1266 thousand dollars in the aggregate during any such twelve-month
1267 period shall file a statement, sworn under penalty of false statement,
1268 with the Secretary of the State in accordance with the provisions of
1269 section 9-333e, on the second Thursday in July, so indicating.

1270 Sec. 28. Subsection (a) of section 9-333m of the general statutes is
1271 repealed and the following is substituted in lieu thereof (*Effective July*
1272 *1, 2005*):

1273 (a) No individual shall make a contribution or contributions to, for
1274 the benefit of, or pursuant to the authorization or request of, a
1275 candidate or a committee supporting or opposing any candidate's
1276 campaign for nomination at a primary, or any candidate's campaign
1277 for election, to the office of (1) Governor, in excess of two thousand
1278 five hundred dollars for a primary or an election held in 2006, and in
1279 excess of one thousand five hundred dollars for a primary and an
1280 election held in 2010, or thereafter; (2) Lieutenant Governor, Secretary
1281 of the State, State Treasurer, State Comptroller or Attorney General, in
1282 excess of one thousand five hundred dollars for a primary or an
1283 election held in 2006, and in excess of one thousand dollars for a
1284 primary and an election held in 2010, or thereafter; (3) chief executive
1285 officer of a town, city or borough, in excess of one thousand dollars; (4)
1286 state senator or probate judge, in excess of five hundred dollars; or (5)
1287 state representative or any other office of a municipality not
1288 [previously] specifically included in this subsection, in excess of two
1289 hundred fifty dollars. [The] Except for contributions to, or for the
1290 benefit of, a candidate's campaign for election in 2010, or thereafter to
1291 the office of Governor, Lieutenant Governor, Secretary of the State,
1292 State Treasurer, State Comptroller or Attorney General, the limits

1293 imposed by this subsection shall be applied separately to primaries
1294 and elections.

1295 Sec. 29. Subsection (e) of section 9-333n of the general statutes is
1296 repealed and the following is substituted in lieu thereof (*Effective July*
1297 *1, 2005*):

1298 (e) (1) Any individual acting alone may, independent of any
1299 candidate, agent of the candidate, or committee, make unlimited
1300 expenditures to promote the success or defeat of any candidate's
1301 campaign for election, or nomination at a primary, to any office or
1302 position. [, provided] Except as provided in subdivision (2) of this
1303 subsection, any individual who makes an independent expenditure or
1304 expenditures in excess of one thousand dollars to promote the success
1305 or defeat of any candidate's campaign for election, or nomination at a
1306 primary, to any such office or position shall file statements according
1307 to the same schedule and in the same manner as is required of a
1308 campaign treasurer of a candidate committee under section 9-333j, as
1309 amended by this act.

1310 (2) Any person who makes or obligates to make an independent
1311 expenditure, as defined in section 9-333a, as amended by this act,
1312 intended to promote the success or defeat of a candidate for (A) the
1313 office of state senator or state representative, which exceeds one
1314 thousand dollars, in the aggregate, during a primary campaign or a
1315 general election campaign, as defined in section 6 of this act, on or after
1316 January 1, 2008, or (B) the office of Governor, Lieutenant Governor,
1317 Secretary of the State, State Treasurer, State Comptroller or Attorney
1318 General, during a primary campaign or a general election campaign, as
1319 so defined, on or after January 1, 2010, shall file a report of such
1320 independent expenditure to the State Elections Enforcement
1321 Commission. The report shall be in the same form as statements filed
1322 under section 9-333j, as amended by this act. If the person makes or
1323 obligates to make such independent expenditure more than twenty
1324 days before the day of a primary or election, the person shall file such
1325 report not later than forty-eight hours after such payment or

1326 obligation. If the person makes or obligates to make such independent
1327 expenditure twenty days or less before the day of a primary or
1328 election, the person shall file such report not later than twenty-four
1329 hours after such payment or obligation. The report shall be filed under
1330 penalty of false statement.

1331 (3) The independent expenditure report in subdivision (2) of this
1332 subsection shall include a statement (A) identifying the candidate for
1333 whom the independent expenditure is intended to promote the success
1334 or defeat, and (B) affirming that the expenditure is totally independent
1335 and involves no cooperation or coordination with or direction from a
1336 candidate or a political party.

1337 (4) Any person may file a complaint with the commission upon the
1338 belief that (A) any such independent expenditure report or statement
1339 is false, or (B) any person who is required to file an independent
1340 expenditure report under subdivision (2) of this subsection has failed
1341 to do so. The commission shall make a prompt determination on such
1342 a complaint.

1343 Sec. 30. Section 9-333n of the general statutes is amended by adding
1344 subsection (g) as follows (*Effective July 1, 2005*):

1345 (NEW) (g) No lobbyist shall make a contribution or contributions to,
1346 or for the benefit of, any candidate's campaign for nomination at a
1347 primary or election to the office of Governor, Lieutenant Governor,
1348 Secretary of the State, Treasurer, Comptroller, Attorney General, state
1349 senator, or state representative, in excess of one hundred dollars.

1350 Sec. 31. Subsection (d) of section 9-333o of the general statutes is
1351 repealed and the following is substituted in lieu thereof (*Effective July*
1352 *1, 2005*):

1353 (d) A political committee organized by a business entity shall not
1354 make a contribution or contributions to or for the benefit of any
1355 candidate's campaign for nomination at a primary or any candidate's
1356 campaign for election to the office of: (1) Governor, in excess of five

1357 thousand dollars for a primary or an election held in 2006, and in
1358 excess of three thousand seven hundred fifty dollars for a primary and
1359 an election held in 2010, or thereafter; (2) Lieutenant Governor,
1360 Secretary of the State, State Treasurer, State Comptroller or Attorney
1361 General, in excess of three thousand dollars for a primary or an
1362 election held in 2006, and in excess of two thousand two hundred fifty
1363 dollars for a primary and an election held in 2010, or thereafter; (3)
1364 [state senator,] probate judge or chief executive officer of a town, city
1365 or borough, in excess of one thousand dollars; (4) state senator, in
1366 excess of one thousand dollars for a primary or an election held in
1367 2006, and in excess of seven hundred fifty dollars for a primary and an
1368 election held in 2008, or thereafter; (5) state representative, in excess of
1369 five hundred dollars for a primary or an election held in 2006, and in
1370 excess of three hundred seventy-five dollars for a primary and an
1371 election held in 2008, or thereafter; or [(5)] (6) any other office of a
1372 municipality not included in subdivision (3) of this subsection, in
1373 excess of two hundred fifty dollars; or an exploratory committee, in
1374 excess of two hundred fifty dollars. [The] Except for contributions to,
1375 or for the benefit of, a candidate's campaign for election in 2010, or
1376 thereafter to the office of Governor, Lieutenant Governor, Secretary of
1377 the State, State Treasurer, State Comptroller or Attorney General, the
1378 limits imposed by this subsection shall apply separately to primaries
1379 and elections and contributions by any such committee to candidates
1380 designated in this subsection shall not exceed one hundred thousand
1381 dollars in the aggregate for any single election and primary
1382 preliminary thereto. Contributions to such committees shall also be
1383 subject to the provisions of section 9-333t, as amended by this act, in
1384 the case of committees formed for ongoing political activity or section
1385 9-333u, as amended by this act, in the case of committees formed for a
1386 single election or primary.

1387 Sec. 32. Section 9-333o of the general statutes is amended by adding
1388 subsection (g) as follows (*Effective July 1, 2005*):

1389 (NEW) (g) No political committee established by a business entity
1390 that is a lobbyist shall make a contribution or contributions to, or for

1391 the benefit of, any candidate's campaign for nomination at a primary
1392 or election to the office of Governor, Lieutenant Governor, Secretary of
1393 the State, Treasurer, Comptroller, Attorney General, state senator, or
1394 state representative, in excess of one hundred dollars.

1395 Sec. 33. Section 9-333q of the general statutes is repealed and the
1396 following is substituted in lieu thereof (*Effective January 1, 2005*):

1397 (a) No political committee established by an organization shall
1398 make a contribution or contributions to, or for the benefit of, any
1399 candidate's campaign for nomination at a primary or for election to the
1400 office of: (1) Governor, in excess of two thousand five hundred dollars
1401 for a primary or an election held in 2006, and in excess of three
1402 thousand seven hundred fifty dollars for a primary and an election
1403 held in 2010, or thereafter; (2) Lieutenant Governor, Secretary of the
1404 State, State Treasurer, State Comptroller or Attorney General, in excess
1405 of one thousand five hundred dollars for a primary or an election held
1406 in 2006, and in excess of two thousand two hundred fifty dollars for a
1407 primary and an election held in 2010, or thereafter; (3) chief executive
1408 officer of a town, city or borough, in excess of one thousand dollars; (4)
1409 [state senator or] probate judge, in excess of five hundred dollars; [or]
1410 (5) state senator, in excess of five hundred dollars for a primary or an
1411 election held in 2006, and in excess of seven hundred fifty dollars for a
1412 primary and an election held in 2008, or thereafter; (6) state
1413 representative, [or] in excess of two hundred fifty dollars for a primary
1414 or an election held in 2006, and in excess of three hundred seventy-five
1415 dollars for a primary and an election held in 2008, or thereafter; or (7)
1416 any other office of a municipality not [previously] specifically included
1417 in this subsection, in excess of two hundred fifty dollars.

1418 (b) No such committee shall make a contribution or contributions to,
1419 or for the benefit of, an exploratory committee, in excess of two
1420 hundred fifty dollars. Any such committee may make unlimited
1421 contributions to a political committee formed solely to aid or promote
1422 the success or defeat of a referendum question.

1423 (c) [The] Except for contributions to, or for the benefit of, a

1424 candidate's campaign for election in 2010, or thereafter to the office of
1425 Governor, Lieutenant Governor, Secretary of the State, State Treasurer,
1426 State Comptroller or Attorney General, the limits imposed by
1427 subsection (a) of this section shall apply separately to primaries and
1428 elections and no such committee shall make contributions to the
1429 candidates designated in this section which in the aggregate exceed
1430 fifty thousand dollars for any single election and primary preliminary
1431 thereto.

1432 (d) No political committee established by an organization shall
1433 make contributions in any one calendar year to, or for the benefit of, (1)
1434 the state central committee of a political party, in excess of five
1435 thousand dollars; (2) a town committee, in excess of one thousand
1436 dollars; or (3) any political committee, other than an exploratory
1437 committee or a committee formed solely to aid or promote the success
1438 or defeat of a referendum question, in excess of two thousand dollars.

1439 (e) No political committee established by an organization shall make
1440 contributions to the committees designated in subsection (d) of this
1441 section, which in the aggregate exceed fifteen thousand dollars in any
1442 one calendar year. Contributions to a political committee established
1443 by an organization shall also be subject to the provisions of section 9-
1444 333t, as amended by this act, in the case of a committee formed for
1445 ongoing political activity or section 9-333u, as amended by this act, in
1446 the case of a committee formed for a single election or primary.

1447 Sec. 34. Section 9-333s of the general statutes is repealed and the
1448 following is substituted in lieu thereof (*Effective July 1, 2005*):

1449 (a) A party committee may make unlimited contributions to, or for
1450 the benefit of, any of the following: (1) Another party committee; (2) a
1451 candidate committee, except as provided in subsections (b) and (c) of
1452 this section; (3) a national committee of a political party; (4) a
1453 committee of a candidate for federal or out-of-state office; or (5) a
1454 political committee. A party committee may also make contributions to
1455 a charitable organization which is a tax-exempt organization under
1456 Section 501(c)(3) of the Internal Revenue Code, as from time to time

1457 amended, or make memorial contributions. A town committee may
1458 also contribute to a scholarship awarded by a high school on the basis
1459 of objective criteria.

1460 (b) (1) On and after January 1, 2007, no state central committee shall
1461 make a contribution or contributions in excess of (A) fifty thousand
1462 dollars to a candidate committee established to aid or promote the
1463 success of one candidate for nomination at a primary or election to the
1464 office of Governor, or (B) ten thousand dollars to a candidate
1465 committee established to aid or promote the success of one candidate
1466 for nomination at a primary or election to the office of Lieutenant
1467 Governor, Secretary of the State, State Treasurer, State Comptroller or
1468 Attorney General.

1469 (2) On and after January 1, 2007, no state central committee shall
1470 make a contribution or contributions in excess of (A) five thousand
1471 dollars to a candidate committee established to aid or promote the
1472 success of one candidate for nomination at a primary or election to the
1473 office of state senator, or (B) two thousand five hundred dollars to a
1474 candidate committee established to aid or promote the success of one
1475 candidate for nomination at a primary or election to the office of state
1476 representative.

1477 (3) On and after January 1, 2007, no town committee shall make a
1478 contribution or contributions in excess of (A) one thousand dollars to a
1479 candidate committee established to aid or promote the success of one
1480 candidate for nomination at a primary or election to the office of
1481 Governor, or (B) five hundred dollars to a candidate committee
1482 established to aid or promote the success of one candidate for
1483 nomination at a primary or election to the office of Lieutenant
1484 Governor, Secretary of the State, State Treasurer, State Comptroller or
1485 Attorney General.

1486 (4) The limits imposed by this subsection shall not apply separately
1487 to primaries and elections.

1488 (c) (1) On and after January 1, 2007, no candidate committee of a

1489 candidate for nomination or election to the office of Governor shall
1490 receive more than seventy-five thousand dollars in total contributions
1491 from town committees.

1492 (2) On and after January 1, 2007, no candidate committee of a
1493 candidate for nomination or election to the office of Lieutenant
1494 Governor, Attorney General, State Comptroller, State Treasurer or
1495 Secretary of the State shall receive more than twenty thousand dollars
1496 in total contributions from town committees.

1497 (3) The limits imposed by this subsection shall not apply separately
1498 to primaries and elections.

1499 [(b)] (d) A party committee may receive contributions from a federal
1500 account of a national committee of a political party, but may not
1501 receive contributions from any other account of a national committee
1502 of a political party or from a committee of a candidate for federal or
1503 out-of-state office, for use in the election of candidates subject to the
1504 provisions of this chapter.

1505 Sec. 35. Section 9-333t of the general statutes is repealed and the
1506 following is substituted in lieu thereof (*Effective July 1, 2005*):

1507 (a) A political committee organized for ongoing political activities
1508 may make unlimited contributions to, or for the benefit of, a party
1509 committee; any national committee of a political party; a candidate
1510 committee, except as provided in subsection (b) of this section; or a
1511 committee of a candidate for federal or out-of-state office. No such
1512 political committee shall make a contribution or contributions in excess
1513 of two thousand dollars to another political committee in any calendar
1514 year except that a political committee organized by a business entity
1515 may make unlimited contributions to, or for the benefit of, another
1516 political committee organized by a business entity. No political
1517 committee organized for ongoing political activities shall make a
1518 contribution in excess of two hundred fifty dollars to an exploratory
1519 committee. If such an ongoing committee is established by an
1520 organization or a business entity, its contributions shall be subject to

1521 the limits imposed by sections 9-333o to 9-333q, inclusive. A political
1522 committee organized for ongoing political activities may make
1523 contributions to a charitable organization which is a tax-exempt
1524 organization under Section 501(c)(3) of the Internal Revenue Code, as
1525 from time to time amended, or make memorial contributions.

1526 (b) No political committee organized for ongoing political activities
1527 shall make a contribution or contributions to, or for the benefit of, any
1528 candidate's campaign for nomination at a primary or election to the
1529 office of (1) state senator, in excess of fifteen thousand dollars, or (2)
1530 state representative, in excess of seven thousand five hundred dollars.
1531 The limits imposed under this subsection shall not apply separately to
1532 primaries and elections.

1533 [(b)] (c) A political committee organized for ongoing political
1534 activities may receive contributions from the federal account of a
1535 national committee of a political party, but may not receive
1536 contributions from any other account of a national committee of a
1537 political party or from a committee of a candidate for federal or out-of-
1538 state office.

1539 (d) No member of the General Assembly, agent of any such member
1540 or individual acting in consultation with, or at the request or
1541 suggestion of, any member or agent shall establish, maintain, direct or
1542 significantly control more than one political committee organized for
1543 ongoing political activities or organized for a single election or
1544 primary. The provisions of this subsection shall not apply to legislative
1545 caucus committees. The State Elections Enforcement Commission shall
1546 adopt regulations, in accordance with the provisions of chapter 54,
1547 establishing procedures to carry out the purposes of this subsection.

1548 Sec. 36. Section 9-333u of the general statutes is repealed and the
1549 following is substituted in lieu thereof (*Effective July 1, 2005*):

1550 (a) A political committee established for a single primary or election
1551 may make unlimited contributions to, or for the benefit of, a party
1552 committee or a candidate committee, except as provided in subsection

1553 (b) of this section, but no such political committee shall make
1554 contributions to a national committee, or a committee of a candidate
1555 for federal or out-of-state office. If such a political committee is
1556 established by an organization or a business entity, its contributions
1557 shall also be subject to the limitations imposed by sections 9-333o to 9-
1558 333q, inclusive. No political committee formed for a single election or
1559 primary shall, with respect to such election or primary make a
1560 contribution or contributions in excess of two thousand dollars to
1561 another political committee, provided no such political committee
1562 shall make a contribution in excess of two hundred fifty dollars to an
1563 exploratory committee.

1564 (b) No political committee established for a single primary or
1565 election shall make a contribution or contributions to, or for the benefit
1566 of, any candidate's campaign for nomination at a primary or election to
1567 the office of (1) state senator, in excess of fifteen thousand dollars, or
1568 (2) state representative, in excess of seven thousand five hundred
1569 dollars. The limits imposed under this subsection shall not apply
1570 separately to primaries and elections.

1571 ~~[(b)]~~ (c) A political committee established for a single primary or
1572 election shall not receive contributions from a committee of a
1573 candidate for federal or out-of-state office or from a national
1574 committee.

1575 Sec. 37. Subsection (b) of section 9-333y of the general statutes is
1576 repealed and the following is substituted in lieu thereof (*Effective*
1577 *January 1, 2005*):

1578 (b) If any campaign treasurer or lobbyist fails to file the statements
1579 required by section 9-333j, as amended by this act, or subsection (g) of
1580 section 9-333l, as the case may be, within the time required, [he] the
1581 campaign treasurer or lobbyist shall pay a late filing fee of fifty-five
1582 dollars. In the case of a statement that is required to be filed with the
1583 Secretary of the State, the secretary shall, within ten days after the
1584 filing deadline, notify by certified mail, return receipt requested, the
1585 person required to file that, if such statement is not filed within

1586 twenty-one days after the deadline, the person is in violation of said
1587 section or subsection. If the person does not file such statement within
1588 twenty-one days after the deadline, the secretary shall notify the State
1589 Elections Enforcement Commission within twenty-eight days after the
1590 deadline. In the case of a copy of a statement that is required to be filed
1591 with the State Elections Enforcement Commission, the commission
1592 shall, not later than ten days after the filing deadline, notify, by
1593 certified mail, return receipt requested, the person required to file that
1594 if such statement is not filed not later than twenty-one days after the
1595 deadline the person is in violation of section 9-333j, as amended by this
1596 act. In the case of a statement that is required to be filed with a town
1597 clerk, the town clerk shall forthwith after the filing deadline notify by
1598 certified mail, return receipt requested, the person required to file that,
1599 if such statement is not filed within seven days after receiving such
1600 notice, the town clerk shall notify the State Elections Enforcement
1601 Commission that the person is in violation of said section or
1602 subsection. The penalty for any violation of said section or subsection
1603 shall be a fine of not more than one thousand dollars or imprisonment
1604 for not more than one year or both.

1605 Sec. 38. Section 9-7b of the general statutes is repealed and the
1606 following is substituted in lieu thereof (*Effective January 1, 2005*):

1607 (a) The State Elections Enforcement Commission shall have the
1608 following duties and powers:

1609 (1) To make investigations on its own initiative or with respect to
1610 statements filed with the commission by the Secretary of the State or
1611 any town clerk, or upon written complaint under oath by any
1612 individual, with respect to alleged violations of any provision of the
1613 general statutes and sections 6 to 21, inclusive, of this act, relating to
1614 any election or referendum, any primary held pursuant to section 9-
1615 423, 9-425 or 9-464 or any primary held pursuant to a special act, and
1616 to hold hearings when the commission deems necessary to investigate
1617 violations of any provisions of the general statutes or sections 6 to 21,
1618 inclusive, of this act, relating to any such election, primary or

1619 referendum, and for the purpose of such hearings the commission may
1620 administer oaths, examine witnesses and receive oral and
1621 documentary evidence, and shall have the power to subpoena
1622 witnesses under procedural rules the commission shall adopt, to
1623 compel their attendance and to require the production for examination
1624 of any books and papers which the commission deems relevant to any
1625 matter under investigation or in question. In connection with its
1626 investigation of any alleged violation of any provision of chapter 145,
1627 or of any provision of section 9-359 or section 9-359a, the commission
1628 shall also have the power to subpoena any municipal clerk and to
1629 require the production for examination of any absentee ballot, inner
1630 and outer envelope from which any such ballot has been removed,
1631 depository envelope containing any such ballot or inner or outer
1632 envelope as provided in sections 9-150a and 9-150b and any other
1633 record, form or document as provided in section 9-150b, in connection
1634 with the election, primary or referendum to which the investigation
1635 relates. In case of a refusal to comply with any subpoena issued
1636 pursuant to this subsection or to testify with respect to any matter
1637 upon which that person may be lawfully interrogated, the superior
1638 court for the judicial district of Hartford, on application of the
1639 commission, may issue an order requiring such person to comply with
1640 such subpoena and to testify; failure to obey any such order of the
1641 court may be punished by the court as a contempt thereof. In any
1642 matter under investigation which concerns the operation or inspection
1643 of or outcome recorded on any voting machine, the commission may
1644 issue an order to the municipal clerk to impound such machine until
1645 the investigation is completed;

1646 (2) To levy a civil penalty not to exceed (A) two thousand dollars
1647 per offense against any person the commission finds to be in violation
1648 of any provision of chapter 145, part V of chapter 146, part I of chapter
1649 147, chapter 148, section 9-12, subsection (a) of section 9-17, section 9-
1650 19b, 9-19e, 9-19g, 9-19h, 9-19i, 9-20, 9-21, 9-23a, 9-23g, 9-23h, 9-23j to 9-
1651 23o, inclusive, 9-23r, 9-26, 9-31a, 9-32, 9-35, 9-35b, 9-35c, 9-40a, 9-42, 9-
1652 43, 9-50a, 9-56, 9-59, 9-168d, 9-170, 9-171, 9-172, 9-232i to 9-232o,
1653 inclusive, 9-404a to 9-404c, inclusive, 9-409, 9-410, 9-412, 9-436, 9-436a,

1654 9-453e to 9-453h, inclusive, 9-453k or 9-453o, or (B) two thousand
1655 dollars per offense or twice the amount of any improper payment or
1656 contribution, whichever is greater, against any person the commission
1657 finds to be in violation of any provision of chapter 150 or sections 6 to
1658 21, inclusive, of this act. The commission may levy a civil penalty
1659 against any person under subparagraph (A) or (B) of this subdivision
1660 only after giving the person an opportunity to be heard at a hearing
1661 conducted in accordance with sections 4-176e to 4-184, inclusive. In the
1662 case of failure to pay any such penalty levied pursuant to this
1663 subsection within thirty days of written notice sent by certified or
1664 registered mail to such person, the superior court for the judicial
1665 district of Hartford, on application of the commission, may issue an
1666 order requiring such person to pay the penalty imposed and such
1667 court costs, state marshal's fees and attorney's fees incurred by the
1668 commission as the court may determine. Any civil penalties paid,
1669 collected or recovered under subparagraph (B) of this subdivision for a
1670 violation of any provision of chapter 150 applying to the office of the
1671 Treasurer shall be deposited on a pro rata basis in any trust funds, as
1672 defined in section 3-13c, affected by such violation;

1673 (3) (A) To issue an order requiring any person the commission finds
1674 to have received any contribution or payment which is prohibited by
1675 any of the provisions of chapter 150, after an opportunity to be heard
1676 at a hearing conducted in accordance with the provisions of sections 4-
1677 176e to 4-184, inclusive, to return such contribution or payment to the
1678 donor or payor, or to remit such contribution or payment to the state
1679 for deposit in the General Fund, whichever is deemed necessary to
1680 effectuate the purposes of chapter 150;

1681 (B) To issue an order when the commission finds that an intentional
1682 violation of any provision of chapter 150 has been committed, after an
1683 opportunity to be heard at a hearing conducted in accordance with
1684 sections 4-176e to 4-184, inclusive, which order may contain one or
1685 more of the following sanctions: (i) Removal of a campaign treasurer,
1686 deputy campaign treasurer or solicitor; (ii) prohibition on serving as a
1687 campaign treasurer, deputy campaign treasurer or solicitor, for a

1688 period not to exceed four years; and (iii) in the case of a party
1689 committee or a political committee, suspension of all political
1690 activities, including, but not limited to, the receipt of contributions and
1691 the making of expenditures, provided the commission may not order
1692 such a suspension unless the commission has previously ordered the
1693 removal of the campaign treasurer and notifies the officers of the
1694 committee that the commission is considering such suspension;

1695 (C) To issue an order revoking any person's eligibility to be
1696 appointed or serve as an election, primary or referendum official or
1697 unofficial checker or in any capacity at the polls on the day of an
1698 election, primary or referendum, when the commission finds such
1699 person has intentionally violated any provision of the general statutes
1700 relating to the conduct of an election, primary or referendum, after an
1701 opportunity to be heard at a hearing conducted in accordance with
1702 sections 4-176e to 4-184, inclusive;

1703 (D) To issue an order to enforce the provisions of the Help America
1704 Vote Act, P.L. 107-252, as amended from time to time, as the
1705 commission deems appropriate;

1706 (4) To issue an order to a candidate committee that receives moneys
1707 from the Citizens' Election Fund pursuant to sections 1 and 6 to 21,
1708 inclusive, of this act, to comply with the provisions of sections 1 and 6
1709 to 21, inclusive, of this act after an opportunity to be heard at a hearing
1710 conducted in accordance with the provisions of sections 4-176e to 4-
1711 184, inclusive;

1712 [(4)] (5) To inspect or audit at any reasonable time and upon
1713 reasonable notice the accounts or records of any campaign treasurer or
1714 principal campaign treasurer, as required by chapter 150 and to audit
1715 any such election, primary or referendum held within the state;
1716 provided, (A) (i) not later than two months preceding the day of an
1717 election at which a candidate is seeking election, the commission shall
1718 complete any audit it has initiated in the absence of a complaint that
1719 involves a committee of the same candidate from a previous election,
1720 and (ii) during the two-month period preceding the day of an election

1721 at which a candidate is seeking election, the commission shall not
1722 initiate an audit in the absence of a complaint that involves a
1723 committee of the same candidate from a previous election, and (B) the
1724 commission shall not audit any caucus, as defined in subdivision (1) of
1725 section 9-372;

1726 ~~[(5)]~~ (6) To attempt to secure voluntary compliance, by informal
1727 methods of conference, conciliation and persuasion, with any
1728 provision of chapters 149 to 153, inclusive, or any other provision of
1729 the general statutes relating to any such election, primary or
1730 referendum;

1731 ~~[(6)]~~ (7) To consult with the Secretary of the State, the Chief State's
1732 Attorney or the Attorney General on any matter which the commission
1733 deems appropriate;

1734 ~~[(7)]~~ (8) To refer to the Chief State's Attorney evidence bearing upon
1735 violation of any provision of chapters 149 to 153, inclusive, or any
1736 other provision of the general statutes pertaining to or relating to any
1737 such election, primary or referendum;

1738 ~~[(8)]~~ (9) To refer to the Attorney General evidence for injunctive
1739 relief and any other ancillary equitable relief in the circumstances of
1740 subdivision ~~[(7)]~~ (8) of this subsection. Nothing in this subdivision
1741 shall preclude a person who claims that he is aggrieved by a violation
1742 of any provision of chapter 152 or any other provision of the general
1743 statutes relating to referenda from pursuing injunctive and any other
1744 ancillary equitable relief directly from the Superior Court by the filing
1745 of a complaint;

1746 ~~[(9)]~~ (10) To refer to the Attorney General evidence pertaining to any
1747 ruling which the commission finds to be in error made by election
1748 officials in connection with any election, primary or referendum. Those
1749 remedies and procedures available to parties claiming to be aggrieved
1750 under the provisions of sections 9-323, 9-324, 9-328 and 9-329a shall
1751 apply to any complaint brought by the Attorney General as a result of
1752 the provisions of this subdivision;

1753 [(10)] (11) To consult with the United States Department of Justice
1754 and the United States Attorney for Connecticut on any investigation
1755 pertaining to a violation of this section, section 9-12, subsection (a) of
1756 section 9-17 or section 9-19b, 9-19e, 9-19g, 9-19h, 9-19i, 9-20, 9-21, 9-23a,
1757 9-23g, 9-23h, 9-23j to 9-23o, inclusive, 9-26, 9-31a, 9-32, 9-35, 9-35b, 9-
1758 35c, 9-40a, 9-42, 9-43, 9-50a, 9-56 or 9-59 and to refer to said department
1759 and attorney evidence bearing upon any such violation for prosecution
1760 under the provisions of the National Voter Registration Act of 1993,
1761 P.L. 103-31, as amended from time to time;

1762 [(11)] (12) To inspect reports filed with the Secretary of the State and
1763 with town clerks pursuant to chapter 150 and refer to the Chief State's
1764 Attorney evidence bearing upon any violation of law therein if such
1765 violation was committed knowingly and wilfully;

1766 [(12)] (13) To intervene in any action brought pursuant to the
1767 provisions of sections 9-323, 9-324, 9-328 and 9-329a upon application
1768 to the court in which such action is brought when in the opinion of the
1769 court it is necessary to preserve evidence of possible criminal violation
1770 of the election laws;

1771 [(13)] (14) To adopt and publish regulations pursuant to chapter 54
1772 to carry out the provisions of section 9-7a, this section and chapter 150;
1773 to issue upon request and publish advisory opinions in the
1774 Connecticut Law Journal upon the requirements of chapter 150, and to
1775 make recommendations to the General Assembly concerning
1776 suggested revisions of the election laws;

1777 [(14)] (15) To the extent that the Elections Enforcement Commission
1778 is involved in the investigation of alleged or suspected criminal
1779 violations of any provision of the general statutes pertaining to or
1780 relating to any such election, primary or referendum and is engaged in
1781 such investigation for the purpose of presenting evidence to the Chief
1782 State's Attorney, the Elections Enforcement Commission shall be
1783 deemed a law enforcement agency for purposes of subdivision (3) of
1784 subsection (b) of section 1-210, provided nothing in this section shall be
1785 construed to exempt the Elections Enforcement Commission in any

1786 other respect from the requirements of the Freedom of Information
1787 Act, as defined in section 1-200;

1788 [(15)] (16) To enter into such contractual agreements as may be
1789 necessary for the discharge of its duties, within the limits of its
1790 appropriated funds and in accordance with established procedures;

1791 [(16)] (17) To provide the Secretary of the State with notice and
1792 copies of all decisions rendered by the commission in contested cases,
1793 advisory opinions and declaratory judgments, at the time such
1794 decisions, judgments and opinions are made or issued;

1795 [(17)] (18) To receive and determine complaints filed under the Help
1796 America Vote Act, P.L. 107-252, as amended from time to time, by any
1797 person who believes there is a violation of any provision of Title III of
1798 P.L. 107-252, as amended. Any complaint filed under this subdivision
1799 shall be in writing, notarized and signed and sworn by the person
1800 filing the complaint. At the request of the complainant, there shall be a
1801 hearing on the record, conducted in accordance with sections 4-167e to
1802 4-184, inclusive. The commission shall make a final determination with
1803 respect to a complaint prior to the expiration of the ninety-day period
1804 beginning on the date the complaint is filed, unless the complainant
1805 consents to a longer period for making such determination. If the
1806 commission fails to meet the applicable deadline under this
1807 subdivision with respect to a complaint, the commission shall resolve
1808 the complaint within sixty days after the expiration of such ninety-day
1809 period under an alternative dispute resolution procedure established
1810 by the commission.

1811 (b) In the case of a refusal to comply with an order of the
1812 commission issued pursuant to subdivision (3) of subsection (a) of this
1813 section, the superior court for the judicial district of Hartford, on
1814 application of the commission, may issue a further order to comply.
1815 Failure to obey such further order may be punished by the court as a
1816 contempt thereof.

1817 Sec. 39. Section 9-324 of the general statutes is repealed and the

1818 following is substituted in lieu thereof (*Effective January 1, 2007*):

1819 Any elector or candidate who claims that [he] such elector or
1820 candidate is aggrieved by any ruling of any election official in
1821 connection with any election for Governor, Lieutenant Governor,
1822 Secretary of the State, State Treasurer, Attorney General, State
1823 Comptroller or judge of probate, held in [his] such elector's or
1824 candidate's town, or that there has been a mistake in the count of the
1825 votes cast at such election for candidates for said offices or any of
1826 them, at any voting district in [his] such elector's or candidate's town,
1827 or any candidate for such an office who claims that [he] such candidate
1828 is aggrieved by a violation of any provision of [sections] section 9-355,
1829 9-357 to 9-361, inclusive, 9-364, 9-364a or 9-365 in the casting of
1830 absentee ballots at such election or any candidate for the office of
1831 Governor, Lieutenant Governor, Secretary of the State, State Treasurer,
1832 Attorney General or State Comptroller, who claims that such candidate
1833 is aggrieved by a violation of any provision of sections and sections 6
1834 to 21, inclusive, of this act, may bring [his] such elector's or candidate's
1835 complaint to any judge of the Superior Court, in which [he] such
1836 elector or candidate shall set out the claimed errors of such election
1837 official, the claimed errors in the count or the claimed violations of said
1838 sections. In any action brought pursuant to the provisions of this
1839 section, the complainant shall send a copy of the complaint by first-
1840 class mail, or deliver a copy of the complaint by hand, to the State
1841 Elections Enforcement Commission. If such complaint is made prior to
1842 such election, such judge shall proceed expeditiously to render
1843 judgment on the complaint and shall cause notice of the hearing to be
1844 given to the Secretary of the State and the State Elections Enforcement
1845 Commission. If such complaint is made subsequent to the election, it
1846 shall be brought [within] not later than fourteen days of the election
1847 and such judge shall forthwith order a hearing to be had upon such
1848 complaint, upon a day not more than five nor less than three days
1849 from the making of such order, and shall cause notice of not less than
1850 three nor more than five days to be given to any candidate or
1851 candidates whose election may be affected by the decision upon such
1852 hearing, to such election official, the Secretary of the State, the State

1853 Elections Enforcement Commission and to any other party or parties
1854 whom such judge deems proper parties thereto, of the time and place
1855 for the hearing upon such complaint. Such judge shall, on the day
1856 fixed for such hearing and without unnecessary delay, proceed to hear
1857 the parties. If sufficient reason is shown, [he] such judge may order
1858 any voting machines to be unlocked or any ballot boxes to be opened
1859 and a recount of the votes cast, including absentee ballots, to be made.
1860 Such judge shall thereupon, in case [he] such judge finds any error in
1861 the rulings of the election official, any mistake in the count of the votes
1862 or any violation of said sections, certify the result of [his] such judge's
1863 finding or decision to the Secretary of the State before the fifteenth day
1864 of the next succeeding December. Such judge may order a new election
1865 or a change in the existing election schedule. Such certificate of such
1866 judge of [his] such judge's finding or decision shall be final and
1867 conclusive upon all questions relating to errors in the rulings of such
1868 election officials, to the correctness of such count, and, for the purposes
1869 of this section only, such claimed violations, and shall operate to
1870 correct the returns of the moderators or presiding officers, so as to
1871 conform to such finding or decision, unless the same is appealed from
1872 as provided in section 9-325.

1873 Sec. 40. (NEW) (*Effective July 1, 2005*) (a) (1) No candidate for the
1874 office of Governor, Lieutenant Governor, Attorney General, State
1875 Comptroller, Secretary of the State, State Treasurer, state senator or
1876 state representative shall solicit contributions, on behalf of a candidate
1877 committee established by a candidate for nomination or election to any
1878 public office or on behalf of any political committee or party
1879 committee, or accept contributions (A) from any individual who (i) is
1880 an officer, director, owner, limited or general partner or holder of stock
1881 constituting five per cent or more of the total outstanding stock of any
1882 class of a business which has a contract with the state, and (ii) has
1883 substantial policy or decision-making authority related to the
1884 administration of said contract, or (B) from a political committee
1885 established by said business.

1886 (2) No said individual from said business and no political

1887 committee established by said business shall make a contribution to
1888 any candidate committee established by a candidate for the office of
1889 Governor, Lieutenant Governor Attorney General, State Comptroller,
1890 Secretary of the State, State Treasurer, state senator or state
1891 representative, during the term of said contract. If any said individual
1892 or political committee makes such a contribution, the business shall be
1893 prohibited from being awarded a state contract, or an extension or an
1894 amendment to a state contract, for one year after the election for which
1895 said contribution is made.

1896 (b) (1) No candidate for any elected office in a municipality shall
1897 solicit contributions, on behalf of a candidate committee established by
1898 a candidate for nomination or election to any public office or on behalf
1899 of any political committee or party committee, or accept contributions
1900 (A) from any individual who (i) is an officer, director, owner, limited
1901 or general partner or holder of stock constituting five per cent or more
1902 of the total outstanding stock of any class of a business which has a
1903 contract with said municipality, and (ii) has substantial policy or
1904 decision-making authority related to the administration of said
1905 contract, or (B) from a political committee established by said business.

1906 (2) No said individual from said business and no political
1907 committee established by said business shall make a contribution to
1908 any candidate committee established by a candidate for any elected
1909 office in a municipality, during the term of said contract. If any said
1910 individual or political committee makes such a contribution, the
1911 business shall be prohibited from being awarded a contract from said
1912 municipality, or an extension or an amendment to a contract with said
1913 municipality, for one year after the election for which said contribution
1914 is made.

1915 Sec. 41. (NEW) (*Effective July 1, 2005*) Notwithstanding the
1916 provisions of section 7-192a of the general statutes, any municipality
1917 may, by ordinance, establish (1) a voluntary program for the public
1918 financing of campaigns of candidates for election to the offices of chief
1919 executive officer of the municipality, municipal clerk, and member of

1920 the legislative body of the municipality, who agree to limit campaign
 1921 fund-raising and expenditures, and (2) a commission to administer and
 1922 enforce such program. The municipality shall pay the costs of
 1923 administering and enforcing such program. Any such ordinance shall
 1924 be subject to the provisions of chapter 150 of the general statutes and
 1925 shall not contain provisions that are less restrictive than the provisions
 1926 of chapter 150 of the general statutes. A candidate for any such office
 1927 who decides not to participate in such program shall be subject to the
 1928 provisions of chapter 150 of the general statutes. Any such public
 1929 financing shall not be deemed to be public funds for the purposes of
 1930 subsection (d) of section 9-333l of the general statutes, as amended by
 1931 this act.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2005</i>	New section
Sec. 2	<i>July 1, 2005</i>	12-812
Sec. 3	<i>July 1, 2005</i>	New section
Sec. 4	<i>July 1, 2005</i>	New section
Sec. 5	<i>July 1, 2005</i>	9-333j(e)
Sec. 6	<i>July 1, 2005, and applicable to elections held in 2008, and thereafter</i>	New section
Sec. 7	<i>July 1, 2005, and applicable to elections held in 2008, and thereafter</i>	New section
Sec. 8	<i>July 1, 2005, and applicable to elections held in 2010, and thereafter</i>	New section
Sec. 9	<i>July 1, 2005, and applicable to elections held in 2008, and thereafter</i>	New section
Sec. 10	<i>July 1, 2005, and applicable to elections held in 2008, and thereafter</i>	New section
Sec. 11	<i>July 1, 2005, and applicable to elections held in 2008, and thereafter</i>	New section

Sec. 12	<i>July 1, 2005, and applicable to elections held in 2008, and thereafter</i>	New section
Sec. 13	<i>July 1, 2005, and applicable to elections held in 2008, and thereafter</i>	New section
Sec. 14	<i>July 1, 2005, and applicable to elections held in 2008, and thereafter</i>	New section
Sec. 15	<i>July 1, 2005, and applicable to elections held in 2008, and thereafter</i>	New section
Sec. 16	<i>July 1, 2005, and applicable to elections held in 2008, and thereafter</i>	New section
Sec. 17	<i>July 1, 2005, and applicable to elections held in 2008, and thereafter</i>	New section
Sec. 18	<i>July 1, 2005, and applicable to elections held in 2008, and thereafter</i>	New section
Sec. 19	<i>July 1, 2005, and applicable to elections held in 2008, and thereafter</i>	New section
Sec. 20	<i>July 1, 2005, and applicable to elections held in 2008, and thereafter</i>	New section
Sec. 21	<i>July 1, 2005, and applicable to elections held in 2008, and thereafter</i>	New section
Sec. 22	<i>July 1, 2005</i>	9-333a
Sec. 23	<i>July 1, 2005</i>	9-333b
Sec. 24	<i>July 1, 2005</i>	9-333e(a)
Sec. 25	<i>July 1, 2005</i>	9-333k(a)
Sec. 26	<i>July 1, 2005</i>	9-333l(e)
Sec. 27	<i>July 1, 2005</i>	9-333l(g)
Sec. 28	<i>July 1, 2005</i>	9-333m(a)
Sec. 29	<i>July 1, 2005</i>	9-333n(e)
Sec. 30	<i>July 1, 2005</i>	9-333n
Sec. 31	<i>July 1, 2005</i>	9-333o(d)
Sec. 32	<i>July 1, 2005</i>	9-333o
Sec. 33	<i>January 1, 2005</i>	9-333q

Sec. 34	<i>July 1, 2005</i>	9-333s
Sec. 35	<i>July 1, 2005</i>	9-333t
Sec. 36	<i>July 1, 2005</i>	9-333u
Sec. 37	<i>January 1, 2005</i>	9-333y(b)
Sec. 38	<i>January 1, 2005</i>	9-7b
Sec. 39	<i>January 1, 2007</i>	9-324
Sec. 40	<i>July 1, 2005</i>	New section
Sec. 41	<i>July 1, 2005</i>	New section

GAE *Joint Favorable Subst. C/R*

APP

APP *Joint Favorable*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 06 \$	FY 07 \$
Resources of the General Fund	GF - Revenue Loss	\$15.6 million	\$15.6 million
Elect. Enforcement Com.	Citizens' Election Fund - Revenue Gain	\$14.6 million	\$14.6 million
Secretary of the State	GF - Cost	Significant	Significant
Elect. Enforcement Com.; Comptroller Misc. Accounts (Fringe Benefits)	GF - Cost	See Below	See Below

Note: GF=General Fund

Municipal Impact:

Municipalities	Effect	FY 06 \$	FY 07 \$
Various Municipalities	Cost	Potential	Potential

Explanation

This bill establishes a system of public financing for election campaigns, one for candidates for statewide elected offices (beginning in 2010) and the other for legislative candidates (beginning in 2008). Candidates who receive qualifying contributions and agree to limit their spending and comply with other requirements are eligible to receive state grants for their campaigns. State office candidates are those running for Governor, Lieutenant Governor, Attorney General, State Comptroller, State Treasurer, and Secretary of the State.

The bill establishes the Citizens' Election Fund (CEF), a separate nonlapsing fund within the General Fund, which provides grants to candidates who comply with certain program requirements.

The bill requires the Connecticut Lottery Corporation (CLC) to transfer 1.5% of total lottery sales, or approximately \$12.6 million, to

the Citizens' Election Fund (CEF) annually, which will be taken out of lottery prize payouts. The increase to the CEF from prize payouts is expected to result in an annual General Fund revenue loss of \$15.6 million beginning in FY 06.

The revenue estimates are based on two factors: (1) the 1.5% transfer to the CEF and (2) a negative reaction by lottery players to smaller prize payouts, which will reduce lottery ticket sales by 5.8% ¹. The current FY 06 estimate for total lottery ticket sales is \$893 million with a total prize payout of approximately \$536 million and a General Fund transfer by the CLC ² of \$267.9 million (approximately 30% of lottery ticket sales). The General Fund estimate was calculated by reducing the \$893 million in projected lottery ticket sales by 5.8% (\$841 million), which results in a General Fund transfer of \$252.3 million (a \$15.6 million reduction.) The estimated CEF transfer of \$12.6 million is 1.5% of the new total lottery sales estimate of \$841 million.

The bill establishes a new 10% surcharge on any fine imposed for a felony, misdemeanor, violation, infraction and civil penalty. This change is anticipated to generate approximately \$2 million in annual revenue.

To estimate whether the revenues of the CEF are sufficient to fund the potential grant obligations to the 2008 legislative office campaigns, three scenarios are considered for candidates who intend on participating in the voluntary program by receiving qualifying

¹ The 5.8% figure is based on information from two states. In 1997, Texas attempted to increase revenue by reducing the amount returned to winners by 7.7%. In FY 98, total lottery sales decreased by 17.5%, which led the Texas legislature to reverse the payout reduction in 1999. Lottery ticket sales increased in FY 00 reversing the declining trend experienced in FY 98 and FY 99. The state of Vermont increased the percentage of lottery payouts and saw a resulting increase. The 1.5% transfer to the CEF will result in a 2.6% reduction in prize payout. Based on the Texas information, the anticipated behavioral effect related to the prize payout reduction is expected to be 5.8%.

² The CLC transfers revenue derived from lottery ticket sales to the General Fund net of administrative costs.

contributions and adhering to the spending limits.

Combined Grants from the Citizens' Election Fund (CEF) for Campaigns for Each Legislative Office³					
	Senator	State Rep. 36	Senatorial Races 151	State Rep. Races	TOTAL
A. 2 Candidates; No Primaries	\$180,000	\$50,000	\$6,480,000	\$7,550,000	\$14,030,000
B. One Party Primary	\$280,000	\$80,000	\$10,080,000	\$12,080,000	\$22,160,000
C. Two Party Primaries	\$380,000	\$110,000	\$13,680,000	\$16,610,000	\$30,290,000

In scenario A, it is assumed that there will be no primaries for legislative offices, and only one candidate from each of the major parties for each legislative office for the general election. In this scenario, \$14 million in CEF grants would be needed.

In scenario B, it is assumed that there will be two candidates from only one of the major parties in primaries for every legislative office, and one candidate from each of the major parties for each legislative office for the general election. Under this scenario, \$22.2 million in CEF grants would be required.

In scenario C, it is assumed that there will be two candidates from each of the major parties in a primary for every legislative office, and one candidate from each of the major parties for every legislative office for the general election. Under this scenario, \$30.3 million in CEF grants would be required.

To estimate whether the revenues of the CEF are sufficient to fund the potential grant obligations to the 2010 legislative and state office campaigns, three scenarios are considered for candidates who intend on participating in the voluntary program by receiving qualifying contributions and adhering to the spending limits.

In scenario one, it is assumed that there will be no primaries for state and legislative office, and only one candidate from each of the major parties for each state and legislative office for the general

election. In this scenario, \$22 million in CEF grants would be needed.

In scenario two, it is assumed that there will be two candidates from only one of the major parties in a primary for every state and legislative office, and one candidate from each of the major parties for each state and legislative office for the general election. Under this scenario, \$36.4 million in CEF grants would be required.

In scenario three, it is assumed that there will be two candidates from each of the major parties in a primary for every state and legislative office, and one candidate from each of the major parties for each state and legislative office for the general election. Under this scenario, \$48.8 million in CEF grants would be required.

It should be noted that if the State Elections Enforcement Commission (SEEC) determines that the CEF cannot cover its grant obligations, the SEEC can distribute money in percentage shares to all participating candidates and the candidates can resume accepting contributions and spend up to the program limits.

The bill requires the SEEC, by January 15, 2010, and every two years thereafter, to adjust the grant amounts for legislative office candidates in accordance with any change during the two preceding calendar years in the Consumer Price Index for urban consumers as published by the U.S. Department of Labor. The SEEC must do the same by January 15, 2014, and every four years thereafter, for grants for statewide office candidates.

The bill charges the SEEC with additional responsibilities, and extends some of the commission's existing responsibilities, to administer and enforce the provisions of the public financing program. The SEEC may retain up to 1% of receipts to the CEF for administration of the program, which is anticipated to be \$146,000 annually.

³ Assumes each qualifying candidate receives the maximum grant for delegate selection, convention, primary, and general election. Unsuccessful participating primary candidates receive the maximum grant only through the primary.

It is anticipated that the SEEC will need \$350,000 for four full time staff: a Director for the Public Finance Program with a salary of \$68,000; two Accountant positions with salaries of \$51,000 each; and a paralegal with a salary of \$43,000.⁴ There will also be one-time start up costs of \$20,000 related to purchasing equipment and supplies for the new employees. It is anticipated that these positions will start on January 1, 2007.

The bill will increase the Secretary of the State's (SOTS) workload. An Elections Officer with a salary of \$55,000⁴ will handle the additional responsibilities. The bill makes several changes that will require modifications to the Campaign Finance Information System (CFIS). These changes would require several new screens and tables to be developed and tested on the CFIS program. The costs for an outside vendor to recode and reprogram CFIS to be able to distinguish candidates that participate in the program from those who do not, account for the amount of grant funds candidates receive, and track other minor changes the bill requires will be significant.

The bill increases the number of campaign finance statements that must to be filed with the SOTS. It is estimated that the SOTS will incur annual costs of \$70,000 in election years to have a vendor scan those campaign finance statements that are filed in paper copy, with the SOTS, into the File-It system. Currently, the majority of legislative campaign finance statements are filed in paper copy.

The SOTS will incur increased mailing costs to notify candidates of filing dates. It is anticipated that the increased mailing costs will be less than \$5,000. The bill requires the SOTS to provide participating candidate committees with a free electronic copy of the statewide

⁴ The fringe benefit costs for state employees are budgeted centrally in the Miscellaneous Accounts administered by the Comptroller. The estimated fringe benefit reimbursement rate as a percentage of payroll is 53.91%, effective July 1, 2004. However, first year fringe benefit costs for new positions do not include pension costs lowering the rate to 22.65%. The state's pension contribution is based upon the prior year's certification by the actuary for the State Employees Retirement System.

computerized voter registry list. Providing this list free of charge will result in a minimal General Fund revenue loss. Currently, the SOTS's office charges \$300 for the electronic copy of the list. This fee generated approximately \$4,500 in revenue in FY 03.

The bill authorizes municipalities to establish a (1) voluntary public financing program for municipal office candidates who agree to limit campaign fund-raising and expenditures and (2) commission to administer and enforce the program. The covered candidates include chief executive officer, municipal clerk, and municipal legislative body members. Each municipality would be responsible for paying for the costs of its program. In addition, municipal public financing programs must comply with state law.

OLR Bill Analysis

sHB 6670

AN ACT CONCERNING COMPREHENSIVE CAMPAIGN FINANCE REFORM FOR STATE-WIDE CONSTITUTIONAL AND GENERAL ASSEMBLY OFFICES**SUMMARY:**

This bill establishes a system of public financing for election campaigns. Beginning in 2008 for legislative offices and in 2010 for statewide elected offices, candidates who receive qualifying contributions and agree to limit their spending and comply with other requirements are eligible to receive state grants for their campaigns. Statewide office candidates are those running for governor, lieutenant governor, attorney general, state comptroller, secretary of the state, and state treasurer.

The bill:

1. creates a Citizens' Election Fund to fund the program,
2. limits campaign spending for primary and general election periods,
3. sets an aggregate contribution amount that qualifies candidates to receive public funds,
4. establishes the amounts a candidate can receive from the fund,
5. reduces several contribution limits for all candidates,
6. provides money from the fund to participating candidates who are the target of an independent expenditure or whose opponent exceeds the spending limits,
7. establishes additional procedures for reporting independent expenditures, and

8. provides incentives and penalties to promote compliance.

Under the bill, the Citizens' Election Fund is funded through (1) state lottery ticket sales, (2) surcharges on civil and criminal penalties (3) contributions of campaign committee surpluses and of certain other committees that dissolve, and (4) its own investment earnings.

Qualifying candidates can receive a grant for each portion of the campaign in which they are eligible to run. Major or minor party and petitioning candidates can qualify. For the entire election cycle, a gubernatorial candidate who runs in a primary can receive as much as \$4,250,000; other constitutional officers, \$675,000; state senators, \$140,000; and state representatives \$40,000.

A participating gubernatorial candidate who receives the total allowable party contributions can spend up to \$4,625,000 on the entire election campaign, including up to \$1,625,000 on a primary. For other statewide office campaigns (except for lieutenant governor), the spending limits are \$780,000 for the entire election cycle, including \$280,000 on a primary. A participating state senator can spend up to \$150,000 on the entire election campaign, including up to \$60,000 on a primary. Lastly, a participating state representative can spend up to \$42,500 on the entire election campaign, including up to \$17,500 on a primary.

A gubernatorial candidate can qualify by receiving \$250,000 in total contributions of up to \$100 each, \$225,000 of which must come from state residents. Other statewide office candidates qualify by receiving \$75,000 in qualifying contributions (\$67,500, in state). Candidates for lieutenant governor can apply for grants for the delegate selection, convention, and primary phases of a campaign or for petition circulating, but not for the general election. A participating state senator qualifies by receiving \$10,000 in qualifying contributions (\$9,000, in state) and a participating state representative must get \$2,500 (\$2,250, in state).

The bill reduces several contribution limits including those from individuals, most political committees (known as PACs), party committees, lobbyists, and state contractors. For program implementation purposes, it expands campaign finance reporting requirements for candidates and those who make independent expenditures.

It limits contributions through ad books and bans soliciting and receiving contributions from state and municipal contractors in state and municipal elections, respectively, and prohibits lobbyists from soliciting contributions on behalf of certain candidates and committees.

Under the bill, "legislative caucus committee" means a single committee designated by a majority of a party's members from one house in the General Assembly and certified by the chairman of the committee on the registration filed with the secretary of the state. Members of the same political party in either the Senate or the House cannot establish more than one legislative caucus committee.

The State Elections Enforcement Commission (SEEC) is responsible for administering and enforcing the program. It must report on the status of the fund each year. If, at the beginning of an election year, the SEEC determines that the fund cannot cover its obligations to participating candidates, it must reduce each candidate's share proportionately and the candidates may resume accepting contributions and spend up to their original limits.

The bill establishes procedures for applying for the grant program's financing and for allocating and distributing funds. A candidate who receives program funds must comply with its restrictions on spending and borrowing money. As soon as it is determined that candidates for governor and lieutenant governor are running together, the gubernatorial candidate's committee handles campaign financing. The lieutenant governor's committee must be dissolved and its surplus funds distributed to the fund or other eligible recipients depending on whether the candidate participated in the program or not.

All candidate committees for statewide and legislative offices must file (1) copies of their campaign finance statements with the SEEC in addition to the secretary of the state and (2) additional campaign finance statements with the secretary and the SEEC when they reach 75% of the applicable spending limit for the general election.

The bill creates penalties for violating program requirements. It allows candidates for statewide offices to file a complaint in Superior Court if they claim they have been harmed with respect to this program in the same way they may currently complain about other election violations.

The bill requires the secretary of the state to provide participating candidate committees with a free electronic copy of the statewide computerized voter registry list.

The bill authorizes municipalities to establish public financing programs for certain municipal office candidates.

The bill includes a severability clause, which means its provisions are to be considered separately. If a court rules that any of its provisions are unconstitutional, it does not affect the validity, legality, and enforceability of the other provisions.

EFFECTIVE DATE: July 1, 2005, and the provisions establishing the Citizens' Election Program are applicable to elections for legislative office candidates in 2008 and for statewide office candidates in 2010; except the provisions changing labor PAC contribution limits and the SEEC's authority are effective January 1, 2005; and complaints by an aggrieved candidate are effective January 1, 2007.

CITIZENS' ELECTION FUND SOURCES (§§ 1 – 5, 14)

The bill establishes a Citizens' Election Fund from which payments to participating candidates are made. It includes proceeds from (1) state lottery ticket sales, (2) surcharges on civil and criminal penalties, (3) contributions of campaign committee surpluses and of certain other committees that dissolve, and (4) the fund's own investment earnings. The fund is a separate, nonlapsing account in the General Fund.

Connecticut Lottery Corporation (§§ 2 – 3)

For the fiscal year ending June 30, 2006, and each year thereafter, the bill requires the Connecticut Lottery Corporation to transfer to the fund 1.5% of the revenue it made from the sale of lottery tickets during the preceding fiscal year. The corporation must make those transfers by reducing the percentage of its revenue that it awards in lottery game prizes from 45% to 43.5%.

Surcharge on Civil and Criminal Penalties (§ 4)

Effective July 1, 2005, the bill imposes a 10% surcharge to be used for the Citizens' Election Program on (1) fines that the courts charge for

felony convictions, misdemeanors, or violations; (2) fines for infractions; and (3) civil penalties imposed by state or quasi-public agencies. Under the bill, every surcharge is rounded off the next highest dollar and immediately transferred to the state treasurer and deposited into the fund.

Donations of Surplus (§§ 5, 14)

Any candidate committee or a political committee, other than an ongoing PAC or an exploratory committee, can contribute to the fund some or all of its surplus when it dissolves. The law requires committee treasurers to spend or distribute surplus funds within 90 days of (1) a primary when a candidate loses, (2) an election, or (3) a referendum. The bill adds the fund to the following list of recipients that are eligible to receive surplus funds: party committees, ongoing PACs, charitable organizations, and contributors on a prorated basis.

Under the bill, a candidate committee that receives money from the fund must return any surplus to it. In addition, a participating lieutenant governor candidate's committee that has a surplus when the candidate joins a gubernatorial candidate's campaign must turn it over to the fund at that time.

INSUFFICIENT FUNDS (§ 21)

No later than June 1, 2006, and annually thereafter, the SEEC must issue a report on the status of the fund during the previous calendar year. The report must include (1) the amount of money deposited into the fund, (2) the sources of money received by category, (3) the number of contributions, (4) the number of contributors, (5) the amount of money expended by category, (6) the names of recipients of the fund's money, and (7) an accounting of the SEEC's costs to administer the programs.

By January 1 in a state election year, the SEEC must determine whether the money in the fund is sufficient to provide grants to candidates. If the SEEC finds that there are insufficient funds, it has three days to recalculate the amount of money qualified candidates can receive, on a proportionate basis, and notify the candidates. It must also issue a report on this determination. After the candidates receive their shares of money from the fund, they can resume accepting contributions up to the highest amount that their nonparticipating opponent spends.

The bill requires the SEEC to set aside the first \$25,000 deposited into the fund each year in a reserve account. The SEEC can only use the reserve account during the last week before a primary or general election to make payments to candidates who (1) received partial payments due to insufficient general funds or (2) are the targets of independent expenditures made during that week and are therefore entitled to matching funds.

CITIZENS' ELECTION PROGRAM (§§ 6 – 21)

The bill establishes a Citizens' Election Program under which major, minor, and eligible petitioning party candidates for statewide and legislative office can receive grants to finance their campaigns. The program begins in 2008 for legislative races and in 2010 for statewide office races.

Eligibility Requirements (§ 7)

To be eligible to receive grants, a candidate must certify with the SEEC as a participating candidate and agree to limit spending to the amount permitted under the bill. His candidate committee must receive the required amount of qualifying contributions and return those that do not meet the qualifying contribution criteria. Similarly, the candidate's exploratory committee, if any, must return all contributions that do not meet the qualifying contribution criteria. The candidate must also submit an application, which the SEEC must approve.

Intent to Participate (§ 8)

Starting in 2008 (see COMMENT), the bill requires every candidate for nomination or election to a statewide or legislative office, and each petitioning candidate, to file an affidavit with the SEEC when he forms a candidate committee or certifies that the registration is not required. The affidavit must include a written certification of whether the candidate intends to abide by the spending limits under the Citizens' Election Program. If the candidate intends to abide by the limits, he must also include a certification agreeing to the lawful use of funds he receives from the state and to personally repay any amount improperly spent. The certification must also state the candidate's status as a major or minor party candidate, and the name of the party, or a petitioning party candidate. The bill prohibits a candidate who changes his status or political party during a campaign from receiving

grants from the fund for that campaign.

The bill specifies that a candidate who certifies his intent to abide by the spending limits is called a “participating candidate” and a candidate who certifies his intent not to abide by the limits is a “nonparticipating candidate.” It requires the SEEC to prepare separate lists of participating and nonparticipating candidates and make them available to the public.

Qualifying Contributions (§ 9)

Candidates who want to participate in the program must qualify by raising a specified amount from individual donors, with a minimum coming from individuals who are state residents, in contributions of no more than \$100 (see Table 1). Candidate committees must return any portion of an individual’s contribution (other than a contribution from the candidate himself) that exceeds \$100 and cannot count any excess portion toward the required qualifying contribution total. All contributions to a candidate's exploratory committee that meet the criteria for qualifying contributions are counted toward the qualifying thresholds. Once a candidate committee receives the threshold amount of qualifying contributions, it must return any subsequent contributions.

Under the bill, a registered lobbyist and his immediate family are banned from contributing to a participating candidate. The bill imposes the same restriction on a state contractor, his immediate family, and businesses with which he or his immediate family is associated (see BACKGROUND). A contributor must certify his eligibility in this regard and provide his name and address.

Table 1: Qualifying Contributions

<i>Candidates for</i>	<i>Qualifying Total</i>	<i>Including Contributions from State Residents Totaling at Least</i>	<i>Counting Amount from Separate Contributions Up To</i>
Governor	\$250,000	\$225,000	\$100
Other statewide	75,000	67,500	100

offices			
State Senator	10,000	9,000	100
State Representative	2,500	2,250	100

Grants from the Fund (§ 10)

Candidates who agree to limit spending are entitled to receive grants from the Citizens' Election Fund. Candidates for lieutenant governor can receive grants for the delegate selection, convention, and primary phases of a campaign or for petitioning for ballot access, but not for the general election when they must run together with a gubernatorial candidate whose committee may participate in the program. Table 2 shows the grant amounts.

Table 2: Grants from the Citizens' Election Fund *

	Primary for Nomination	<i>Nominated Candidate in a General Election</i>	<i>Petitioning Candidate in a General Election</i>
Governor	\$1,250,000	\$3,000,000	\$3,000,000
Other statewide offices	175,000	500,000	500,000
State Senator	50,000	90,000	90,000
State Representative	15,000	25,000	25,000

*To be adjusted for inflation (see below).

If a candidate who is nominated at a primary does not spend the entire grant for the primary campaign, the amount of the grant for the general election is reduced by the unspent amount. The bill prohibits a candidate committee from applying a Citizens' Election Program grant to any deficit it incurs.

The bill requires the SEEC, by January 15, 2010, and every two years thereafter, to adjust the grant amounts for legislative office candidates in accordance with any change during the two preceding calendar years in the Consumer Price Index for urban consumers as published

by the U.S. Department of Labor, Bureau of Labor Statistics. The SEEC must do the same by January 15, 2014, and every four years thereafter, for grants for statewide office candidates.

Spending Limits (§ 7(c))

Under the bill, participating candidates must agree to limit spending:

1. before a primary and a general election campaign, to the amount of qualifying contributions allowed;
2. for a primary campaign, to the sum of the qualifying contributions not spent before the primary campaign, the amount of the grant authorized for the primary campaign, and, for statewide office candidates, the total amount of allowable contributions from the state central and town committees; and
3. for a general election campaign, to the sum of qualifying contributions not spent before the general election campaign, any unspent funds from a grant for a primary campaign, the amount of the grant authorized for the general election campaign, and, for statewide office candidates, the total amount of unspent and allowable contributions from the state central and town committees.

Spending limits for legislative candidates do not include party committee contributions and thus, equal the amount of qualifying contributions and grants only.

A candidate who benefits from a party committee's expenditures must count it toward his applicable primary or general election spending limit, unless the party spending benefits all of its candidates. Tables 3 and 4 show the spending limits for statewide and legislative office candidates under the bill.

Table 3: Spending Limits for Statewide Office Candidates

	<i>Governor</i>	<i>Other Statewide Offices</i>
Qualifying contributions	\$250,000	\$75,000
Party contributions		

▪ State central	50,000	10,000
▪ Town committees	75,000	20,000
Primary grant	1,250,000	175,000
Spending limit total up to primary	\$1,625,000	\$280,000
General election grant	3,000,000	500,000
Spending limit total for entire election cycle <i>with</i> a primary	\$4,625,000	\$780,000
Spending limit total for entire election cycle <i>without</i> a primary	\$3,375,000	\$605,000

Table 4: Spending Limits for Legislative Office Candidates

	<i>State Senator</i>	<i>State Representative</i>
Qualifying contributions	\$10,000	\$2,500
Party contributions		
▪ State central	N/A	N/A
▪ Town committees	N/A	N/A
Primary grant	50,000	15,000
Spending limit total up to primary	\$60,000	\$17,500
General election grant	90,000	25,000
Spending limit total for entire election cycle <i>with</i> a primary	\$150,000	\$42,500
Spending limit total for entire election cycle <i>without</i> a primary	\$100,000	\$27,500

N/A means not applicable

Application Procedures (§ 11)

Beginning in 2008 for legislative races and 2010 for statewide office races, the bill allows candidates to apply for a grant under the Citizens' Election Program for a primary and general election campaign. For a primary campaign, he applies after the close of his party's nominating convention if he (1) receives his party endorsement, (2) receives at least

15% of the delegate vote on a roll-call at the party convention, or (3) qualifies as a petitioning candidate.

For a general election campaign, the candidate applies after the close of his party's nominating convention if he (1) receives his party's endorsement and will not have to run in a primary; (2) receives at least 15% of the delegate vote on a roll-call at the party convention, no other candidate receives the party endorsement or 15% of the delegate vote, and no other candidate qualifies as a petitioning candidate; or (3) qualifies as a petitioning candidate and no candidate receives the party endorsement or 15% of the delegate vote. The candidate applies after a primary if the secretary of the state declares him the party nominee. Finally, if he is a petitioning party candidate, he applies after the secretary of the state approves the petition.

The bill requires the application to include a written certification signed by both the candidate and the campaign treasurer, that:

1. the candidate committee has received the required qualifying contributions;
2. the committee has repaid all loans;
3. the committee has returned contributions from any donor without the person's name and address;
4. the candidate and exploratory committees have returned all contributions or portions thereof that did not meet the criteria for qualifying contributions;
5. the campaign committee treasurer will comply with all program requirements;
6. public funds for the candidate committee will be deposited in the committee's bank account as soon as they are received;
7. the treasurer will spend program funds only for items permitted under existing law and in accordance with guidelines that the SEEC establishes; and
8. if the candidate withdraws, becomes ineligible, or dies, his committee will return unspent grants it received from the fund.

The application must be accompanied by a cumulative itemized accounting, as of three days before the application date, of all funds received, expenditures made, and expenses incurred but not yet paid. The campaign treasurer must swear to the accounting under penalty of false statement. The bill requires the SEEC, upon consultation with the secretary of the state, to prescribe the form of the application and the accounting.

The SEEC must review each application and, within three business days of receiving one, determine whether a candidate qualifies for a grant. If the SEEC approves an applicant, it must determine the amount of funds for which the candidate is eligible and inform the comptroller and the candidate of the amount. The comptroller then has two business days to notify the treasurer and issue the check.

Remedy for an Aggrieved Candidate (§ 39)

The bill permits any statewide office candidate who claims he has been harmed by a violation of the laws establishing the public financing program to file a complaint in Superior Court. Under the State Constitution, each house of the General Assembly resolves any contest of complaint related to the election of its members (Ct. Const., Art. III, § 7).

No Additional Deposits (§ 12)

After a candidate deposits program funds in his campaign account, he cannot deposit any other contribution, loan, personal funds, or other funds into it (see COMMENT). He can, however, deposit money he is entitled to because he is the target of an independent expenditure or an opponent exceeds the spending limit.

Automatic Qualification (§ 13)

A qualified candidate who receives money from the fund for a primary and becomes the party nominee automatically receives a general election grant. The comptroller must pay it within two business days of receiving the commission's notification that the secretary declared the results of the primary.

Governor and Lieutenant Governor (§ 14)

The bill requires a party's candidates for governor and lieutenant governor to be considered as running jointly for purposes of participating in the gubernatorial financing program as soon as that determination can be made. That occurs (1) when the results of a primary are known, if there is a primary for either or both offices; (2) at the convention, if there is no primary; or (3) when party-endorsed candidates declare that they will campaign as a single ticket, which means they will run together in the general election so that electors can cast a single vote for both candidates. Candidates other than party-endorsed candidates can also declare that they are campaigning jointly.

Under the bill, any candidate for the office of lieutenant governor must dissolve his own candidate committee if he is running jointly with a gubernatorial candidate. As soon as the candidates' status determination is made, the treasurer of the lieutenant governor candidate's campaign committee must:

1. within 15 days, file a statement with the secretary of the state listing the committee's contributions and expenditures since the last filed report and showing the balance or deficit and
2. within 30 days, return any surplus to (a) the fund, if the candidate participated in the program or (b) those eligible to receive a surplus distribution under current law, which includes the fund, if the candidate did not participate.

Loans (§ 15)

A qualified candidate committee can borrow up to \$1,000 from a financial institution. Other than the candidate or, for a general election, a state central committee, no person, PAC, or party committee can endorse or guarantee more than a \$500 loan. As long as the loan is outstanding, the endorsement or guarantee is considered to be a contribution and no additional contribution from the person or committee is allowed. Borrowed funds cannot be included as contributions for the purpose of reaching the qualifying threshold. Repayment of all loans and certification of repayment are required before a candidate is eligible to apply for or receive funds.

Disregard of Spending Limits (§§ 16 – 18)

Penalties. The bill penalizes a qualified candidate committee that receives money from the fund and exceeds the spending limits. Specifically, it:

1. requires the committee to repay in full the amount of the grant,
2. prohibits it from receiving additional program funds for the remainder of the election cycle,
3. subjects it to civil penalties imposed by the SEEC, and
4. makes the candidate a "nonparticipating candidate" for program purposes.

Failure to return any unspent grant funds within 90 days after a primary or a general election constitutes larceny and is subject to criminal penalties that depend on the amount involved.

Opponent Exceeds Spending Limits. A qualified candidate who receives program funds is entitled to additional money from the fund if his opponent exceeds the spending limits (whether his opponent is participating or nonparticipating). The additional money is equal to the excess amount spent by the opponent, up to the amount the participating candidate has received from the fund. The extra funding must be paid as soon as the SEEC verifies a violation.

If a nonparticipating candidate makes or incurs an excess expenditure more than 20 days before the primary or general election, the bill requires him to file a declaration of excess expenditures within 48 hours of doing so. If he makes or incurs the expenditure 20 days or less before the primary or general election, he must file the declaration within 24 hours of doing so. The SEEC determines if a nonparticipating candidate's expenditure will be considered an excess expenditure.

Independent Expenditures. When the SEEC receives a report that someone has made, or has obligated to make, an independent expenditure in an effort to oppose a participating candidate, it must immediately notify the comptroller, directing her to provide the candidate with additional money equal to the independent expenditure. She has two business days to do so.

The maximum aggregate amount that a participating candidate may receive to match independent expenditures made to benefit an opposing participating candidate is 100% of the total money he has received from the fund. The maximum aggregate amount that a participating candidate may receive to match the combination of independent expenditures and excess expenditures that an opposing nonparticipating candidate makes is 200% of all the money he has received from the fund for the primary or general election. The participating candidate receives this additional funding only if the sum of the nonparticipating candidate's campaign expenditures and the independent expenditures exceed the participating candidate's applicable spending limit for the primary or general election period.

Campaign Finance Statements (§ 19)

Every candidate's treasurer must file campaign finance statements with the secretary of the state adhering to the existing schedule until the candidate receives contributions, receipts, and grants totaling 75% of the spending limit for the general election period. Once the candidate reaches this threshold, the treasurer must file the statements (1) on the second Thursday of each month between the fourth month and sixth week before the election and (2) every Thursday during the last six weeks of the campaign. If a campaign treasurer fails to file a statement with both the secretary of the state and the SEEC within the time required, he is subject to a civil penalty of up to \$1,000 for each failure.

CONTRIBUTION LIMITS (§§ 22 – 23, 25 – 28, 30 – 36)

The bill makes several changes to campaign contribution limits for individuals, lobbyists, PACs, and party committees. It also places greater restrictions on the purchase of advertising book space.

Individuals (§ 28)

Beginning in 2010, the bill lowers the limits on contributions individuals can make to candidates for statewide office and applies those limits to a primary and general election together. Under current law, individual contribution limits apply separately to primaries and general elections and contributors can give up to the limit for each (e.g., \$2,500 to both the primary and general election campaign of a gubernatorial candidate for a total of \$5,000). The bill leaves

unchanged the limits on individual contributions to candidates for state senator (\$500) and state representative (\$250), and applies them separately, as under current law, to a primary and the general election. Table 5 shows the limits on individual contributions.

Table 5: Individual Contribution Limits

<i>To candidates for</i>	<i>Current law (for a primary or an election)</i>	<i>The Bill (aggregate for a primary and an election)</i>
Governor	\$2,500	\$1,500
Other statewide offices	1,500	1,000

Lobbyists and Lobbyist PACs (§ 30, 32)

The bill limits to \$100 contributions from lobbyists and lobbyist PACs to candidates for statewide and legislative offices during a primary or a general election. Under current law, lobbyists are subject to the contribution limits for individuals to candidates for governor (\$2,500), other statewide offices (\$1,500), state senator (\$500), and state representative (\$250). Participants in the Citizens' Election Program are prohibited from receiving any contribution from a lobbyist or a member of his immediate family as a qualifying contribution.

Business and Labor PACs (§§ 31, 33)

Beginning in 2010, the bill lowers the limits on business PAC contributions and raises the limits on labor PAC contributions, making them equal. The limits apply to a primary and general election together, rather than separately as they do under current law. Tables 6 and 7 compare the current and proposed limits.

Table 6: Business PAC Contribution Limits

<i>To candidates for</i>	<i>Current law (for a primary or an election)</i>	<i>The Bill (aggregate for a primary and an election)</i>
Governor	\$5,000	\$3,750
Other statewide offices	3,000	2,250
State Senator	1,000	750
State Representative	500	375

Table 7: Labor PAC Contribution Limits

<i>To candidates for</i>	<i>Current law (for a primary or an election)</i>	<i>The Bill (aggregate for a primary and an election)</i>
Governor	\$2,500	\$3,750
Other statewide offices	1,500	2,250
State Senator	500	750
State Representative	250	375

Party Committees (§ 34)

Under current law, party committees can make unlimited contributions to candidate committees. Beginning January 1, 2007, the bill creates limits for contributions to some campaigns and applies them to a primary and general election together. It also prohibits gubernatorial candidates from receiving more than \$75,000, and other statewide office candidates from receiving more than \$20,000, in total contributions from town committees. The bill makes no change to town committee contributions to legislative candidates, keeping them unlimited. Table 8 shows the party committee limits established by the bill.

Table 8: Proposed Party Committee Contribution Limits

<i>To candidates for</i>	<i>State Central Committees</i>	<i>Town Committees</i>
Governor	\$50,000	\$1,000
Other statewide offices	10,000	500
State Senator	5,000	(unlimited as under current law)
State Representative	2,500	(unlimited as under current law)

Ongoing PACs and PACs Organized for a Single Primary or Election (§§ 35 – 36)

Under current law, ongoing PACs and PACs organized for a single primary or election can make unlimited contributions to candidate committees. The bill creates limits for their contributions to legislative campaigns and applies them to a primary and general election together. It leaves ongoing PAC contributions to statewide office candidates unlimited. Table 9 shows the limits.

Table 9: Ongoing PAC and PACs Organized for a Single Primary or Election Contribution Limits

<i>To candidates for</i>	<i>Current law (for a primary or an election)</i>	<i>The Bill – Ongoing PAC</i>	<i>The Bill – PAC Organized for a Single Primary or Election</i>
State Senator	Unlimited	\$15,000	\$15,000
State Representative	Unlimited	7,500	7,500

The bill prohibits members of the General Assembly, and their agents, from establishing, maintaining, directing or controlling more than one political committee organized for ongoing political activities or for a single election or primary. The bill exempts legislative caucus committees from this provision. It requires the SEEC to adopt implementing regulations regarding the provision.

Legislative Caucus Committees (§§ 22, 25)

Under the bill, “legislative caucus committee” means a single committee designated by a majority of a party’s members from one house in the General Assembly and certified by the chairman of the committee on the registration filed with the secretary of the state. Members of the same political party in either the Senate or the House cannot establish more than one legislative caucus committee. Under current law, such a committee forms and is regulated as an ongoing PAC and the number any caucus can establish is not restricted.

Ad Books (§ 23, 27)

Under current law, businesses can generally purchase advertising space valued at \$250 or less in a campaign fundraising program but cannot otherwise make a campaign contribution. Individuals can purchase up to an aggregate of \$50 in ad book space from a candidate that does not count toward contribution limits and is not reported as such.

Under the bill, the \$250 cap applies only to a business that is not a lobbyist. The bill caps purchases by a business that is a client lobbyist but does not employ a lobbyist and does not have a director, officer,

partner, or owner of 5% or more of the business who is a lobbyist at (1) \$150 from a single candidate or his committee for a single election or (2) \$100 from a single party committee or PAC in a calendar year. It caps purchases by a business that employs a lobbyist or has a director, officer, partner, or owner of 5% or more of the business who is a lobbyist at (1) \$100 from a single candidate or his committee for a single election or (2) \$100 from a single party committee or PAC in a calendar year. Finally, it allows a \$50 purchase by a communicator lobbyist, who can purchase an aggregate of \$50 in ad space as an individual under current law. Table 10 shows the ad book limits under the bill.

Table 10: Proposed Ad Book Limits

Purchaser Recipient ↓	<i>Business that is not a lobbyist</i>	<i>Business is a client lobbyist but does not employ a lobbyist</i>	<i>Business that employs a lobbyist</i>	<i>Communicator lobbyist or any other person</i>
Single candidate or candidate committee for a single election	\$250	\$150	\$100	\$50
Single party committee or ongoing PAC	250	100	100	50

The bill removes the requirement that lobbyists declare, in their annual statement to the secretary of the state, purchases of space in an ad book.

SOLICITATION BAN (§§ 26, 40)

Lobbyists (§ 26)

The bill prohibits lobbyists and members of their immediate family from soliciting a contribution at any time on behalf of a statewide office or legislative candidate or his exploratory committee. It also prohibits lobbyists and their immediate family from soliciting contributions on behalf of a political committee (1) established for an

assembly or senatorial district; (2) established by or at the suggestion of a member of the General Assembly or a statewide officer, or their agents; or (3) controlled by a member of the General Assembly or a statewide officer, or their agents, to promote the success of a candidate for legislative or statewide office. Current law prohibits a lobbyist from soliciting such contributions during a legislative session only and does not apply the ban to family members.

State and Municipal Contractors (§ 40)

The bill prohibits statewide and legislative office candidates from soliciting or accepting, and individuals and PACs from making, campaign contributions if the contributor is connected with a business that has a contract with the state. The prohibition applies during the term of the contract. In addition, the bill bars individuals or business PACs that make contributions to statewide and legislative office candidates from getting a contract award or an extension for one year after the election for which they made a contribution.

The prohibition applies to contributions from any individual who (1) is an officer, director, owner, partner, or stockholder (with at least 5% of the total outstanding stock) of a business with a state contract and (2) has substantial authority related to the contract. It also applies to such a business' PAC contributions. No candidate may accept or solicit such contributions on behalf of a candidate for any public office, any PAC, or political party committee. These provisions apply to candidates for the office of state treasurer, in addition to the law's restrictions on contributions from individuals and businesses providing investment services to that office.

Under the bill, the same bans apply to candidates for municipal elected offices and municipal contractors.

ADDITIONAL REPORTING REQUIREMENTS (§§ 24, 29)

Candidate Committees (§24)

Beginning January 1, 2008, a candidate committee must file copies of its statements with the SEEC, in addition to the originals it files with the secretary of the state. The requirement applies to committees formed to aid or promote the success or defeat of a candidate for statewide or legislative offices.

Independent Expenditures (§ 29)

Beginning January 1, 2008 for legislative offices and January 1, 2010 for statewide offices, any person who makes an independent expenditure exceeding \$1000 in the aggregate to promote the success or defeat of a candidate must file a report with the SEEC. Current law requires reporting to the secretary of the state independent spending over an aggregate of \$1,000 to promote the success or defeat of a candidate. Under the bill, if a person makes an independent expenditure more than 20 days before the primary or general election, he must file the report within 48 hours of doing so. If a person makes an independent expenditure 20 days or less before the primary or general election, he must file the report within 24 hours.

The report must include a statement (1) identifying the candidate who is the subject of the expenditure and (2) affirming that the expenditure is truly independent. The person files the statement under penalty of false statement, which carries a fine of up to \$2,000, up to one year in prison, or both (the punishment for a class A misdemeanor). Anyone can file a complaint with the SEEC alleging a false report or statement or that a report was not filed at all. The SEEC must promptly decide on the complaint.

SEEC POWERS AND DUTIES (§§ 37 – 38)

Generally, the SEEC must (1) determine whether there is enough money in the Citizens' Election Fund to issue grants, (2) prescribe the programs' forms, (3) process candidates' applications and determine if a candidate is eligible, (4) notify the comptroller of the amount due and payable to each qualified candidate, and (5) establish guidelines for permissible expenditures for grant money, and (6) enforce the provisions of the programs.

Under the bill, the SEEC can deduct from the fund money to pay its program implementation costs, up to 1% of the funds deposited in a fiscal year. If the commission does not spend 1% of the funds in a year, it can use the balance to pay its costs in subsequent years.

The bill extends some of SEEC's existing authority to enforce the provisions of the Citizen's Election Program. With respect to the program the SEEC can (1) investigate complaints and alleged

violations, and hold hearings; (2) impose civil penalties of up to \$2,000; and (3) issue an order to a participating candidate committee to comply with program requirements after granting an opportunity for a hearing under the Uniform Administrative Procedure Act.

The bill also gives the SEEC the authority to decide on a complaint alleging failure to file or falsehood in the statement that a person making an independent expenditure must file with the commission. For failure to file any report required by the bill, the SEEC has 10 days to notify the committee treasurer that he is in violation of the law if the report is not sent within 21 days of the deadline.

MUNICIPAL PUBLIC FINANCING PROGRAMS (§ 41)

The bill authorizes municipalities to establish a (1) voluntary public financing program for municipal office candidates who agree to limit campaign fundraising and expenditures and (2) commission to administer and enforce the program. The covered candidates include chief executive officer, municipal clerk, and municipal legislative body members. Every municipality is responsible for paying for the costs of its program. In addition, municipal public financing programs must comply with state law.

BACKGROUND

Associated Business

The bill defines "associated business" by reference to "business with which he is associated" in the campaign finance law (CGS § 9-333a(16)). That means any business in which a campaign contributor is a director, officer, owner, limited or general partner, or holder of stock constituting at least 5% of the total outstanding stock of any class.

Immediate Family

The bill defines "immediate family" as any spouse or child of an individual, or any dependent relatives who reside in the individual's household.

Related Bill

sSB 61, An Act Providing for Comprehensive Campaign Finance Reform for State-wide Constitutional and General Assembly Offices,

which the Government Administration and Elections Committee reported favorably on March 31, establishes a two-tiered system of public financing for statewide office campaigns beginning in 2010 and legislative campaigns beginning in 2008; makes other campaign finance law changes, such as different changes to ad book purchases and restrictions on state employee contributions; and eliminates certain provisions found in this bill, like the municipal public finance option.

COMMENT

Intent to Participate

The effective date of Section 8 (July 1, 2005 and applicable to elections beginning in 2010) is inconsistent with the bill's starting date (for elections beginning in 2008) for candidates' affidavit as to whether they will participate in the program.

No Additional Deposits

The bill neglects to address party committee contributions that a participating candidate may receive in the exemptions to the ban on making additional deposits into his account after a Citizens' Election Fund grant is received.

COMMITTEE ACTION

Government Administration and Elections Committee

Joint Favorable Substitute Change of Reference

Yea 13 Nay 7

Appropriations Committee

Joint Favorable Report

Yea 29 Nay 16